

**PILOT LOCAL GOVERNMENT  
PARTNERSHIP PROGRAM**

**ACTION PLANS FOR EACH  
OF THE EIGHT PILOT LGPP  
PARTNER CITIES**

Prepared for

East European Regional Housing Sector Assistance  
Project  
Project 180-0034  
U.S. Agency for International Development,  
ENI/EEUD/UDH  
Contract No. EPE-C-00-95-001100-00, RFS No. 621

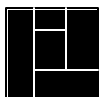


Prepared by

K. Chmura, Consultant  
M. Gajewski, Uniconsult  
S. Mazur, KAE  
H. Ruszczyk, CDC  
J. Szczucki, PAG

under subcontract to

The Urban Institute



**THE URBAN INSTITUTE**

2100 M Street, NW  
Washington, DC 20037  
(202) 833-7200  
[www.urban.org](http://www.urban.org)

March 1997  
UI Project 06610-621



## TABLE OF CONTENTS

Action Plan for the City of Bielsko Biala .....	1
Action Plan for the City of Gliwice .....	17
Action Plan for the City of Kutno .....	29
Action Plan for the Nowy Sacz Public Service City Zone .....	39
Action Plan for the City of Ostrow Wielkopolski .....	47
Action Plan for the City of Sandomierz .....	59
Action Plan for the City of Szczecin .....	69
Action Plan for the City of Ziebice .....	91



## **ACTION PLAN FOR THE CITY OF BIELSKO BIALA APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

This Action Plan pertains to the consulting and training assistance provided to Bielsko-Biala under Pilot Local Government Partnership Program (Pilot LGPP) financed with the funds of United States Agency for International Development (USAID). The Action Plan does not go beyond September 1997 due the fact, that since October a new consortium of consulting companies, which will have won the USAID bid will take over the assistance provided to the cities.

### **DESCRIPTION OF THE CITY**

Bielsko-Biala is the capital of the Bielsko-Biala voivodship (province), situated close to the border with the Czech Republic and Slovakia, and has a population of 180,000. It is one of the fastest developing cities in the region, with a significant participation of foreign investment. A large part of the population (45 percent of the employed) is employed in industry.

About 20 percent of the province population lives in its capital. Unemployment, both in the province and in the city is relatively low: 9 and 7 percent, respectively.

The city's major industry branches are automotive (FIAT AUTO POLAND), light and machine-building.

### **DESCRIPTION OF THE ACTIVITIES IN THE CITY SPONSORED BY VARIOUS ORGANIZATIONS**

There have been many programs financed by various financial institutions and foreign governments in the city. Some of their results include:

- ! Establishing Bielskie Centrum Przedsiębiorczości (Entrepreneurship Center), which was organized under TOR 10 Program, financed with the World Bank funds. The Center provides:
  - Entrepreneurship Incubator (Inkubator Przedsiębiorczości), which offers rooms for businesses and expert advice, as well as access to a number of services.

- Entrepreneurship Support Center (Osrodek Wspierania Przedsiębiorczości), which renders advisory service (assistance with the development of credit applications and business plans) and training.
- Entrepreneurship Development Fund (Fundusz Rozwoju Przedsiębiorczości), which offers seed money loans for the unemployed to set up their own businesses.
- ! Activity of Polish-American Advisory Center (Polsko-Amerykański Ośrodek Doradztwa) has a relationship with Regional Chamber of Commerce and Industry (Regionalna Izba Handlu i Przemysłu) and consults small and medium-sized companies and organizes training and seminars.
- ! Activity of non-governmental organizations supported with the funds of Democracy Network (DemNet), a USAID program. The following organizations have been financed with the DemNet funds: Bielsko-Biala Development Foundation (Fundacja Rozwoju Miasta Bielska-Białej), Association for Ecology and Culture “Klub Gaja” (Stowarzyszenie Ekologiczno - Kulturalne “Klub Gaja”) and Beskidy Association of Non-Governmental Initiatives (Beskidzkie Stowarzyszenie Inicjatyw Pozarządowych). DemNet also cooperates directly with the local authorities in respect of local government policy toward non-governmental organizations.

## PROGRAMS FINANCED BY USAID UNDER PILOT LGPP

The most important and conspicuous are those programs which are financed by USAID, now concentrated in Pilot LGPP. In accordance with the agreement between the city of Bielsko-Biala and USAID the following areas of advisory assistance were provided by USAID consultants:

- ! The analysis of options for achieving financial self-sustainability of the two municipal enterprises, i.e., the City Cleaning Company (ZOM) and City Transportation Company (MZK).
- ! Cooperation with the city on improving the quality of local housing services through the analysis of options for strategy of development of the housing sector.



In particular these activities were focused on the following.

## **Residential Housing**

This was an area, which was provided with the greatest amount of support, with the most conspicuous results.

In cooperation with CHF (Cooperative Housing Foundation), the Agency for Support of Housing Initiatives (Agencja Wsparcia Inicjatyw Mieszkaniowych AWIM) was established. The Agency have been coordinating a number of works related to the housing program. Among others, owing to its activity it was possible to complete the construction of two (2) housing estates of single family residences.

The next stage was to develop a housing policy for the city of Bielsko-Biala. A draft for housing policy was developed due to the assistance of the Regional Housing and Urban Development Office (Regionalne Biuro Rozwoju Miast i Budownictwa Mieszkaniowego) under USAID and the "Gmina Housing Partnership Program" program by experts of several consulting institutions, and particularly by the Cooperative Housing Foundation (CHF) and Planning & Development Collaborative International (PADCO). The document was approved unanimously by the Bielsko-Biala City Council on 18 June 1996. Further assistance in the area of housing was provided in:

**! Restructuring of Housing Management Enterprise (ZGM - Zaklad Gospodarki Mieszkaniowej) and privatization of selected units (ADMs).**

The target objective in this area is ZGM restructuring and privatization of some ADMs (Residential Housing Administration). The fundamental document describing the directions to be taken is the report prepared by Angus Olson (PADCO) "Suggested strategy and options for restructuring housing management in Bielsko-Biala". The report presents different solutions for ZGM restructuring.

**! Assistance in establishing and operation of the Social Housing Project (TBS - Towarzystwo Budownictwa Społecznego).**

The companies involved in the assistance to the city's residential housing provided help to Towarzystwo Budownictwa Społecznego. It consisted in consulting, and particularly in preparing a business plan and a feasibility study. Some delay in these works was caused by the prolonged period of vacancy in the position of TBS President. The TBS was ultimately called into being in January 1997. At present both of the above-mentioned document are about to be completed and the work with the TBS should be much accelerated now.





- ! **Consulting assistance in repairs carried out by condominiums.** In cooperation with the ZGM a condominium was identified, with which the work is carried out by Jan Czarniecki (PADCO). The goal of this cooperation is to recognize the problems faced by condominiums, which are related mostly to repairs and means of financing them.
- ! **Old Town Revitalization.** The project of the broadest scope under way in Bielsko-Biala related to housing management is the activity connected to the revitalization of the Old Town. This is now a relatively neglected area of the city which has a great potential. Through renovation, and change of ownership status of individual buildings the city authorities aim to revitalize this part of the city. The works are coordinated by the City Development Office (Biuro d/s Rozwoju Miasta) and its experts. The activities for the revitalization are focused on the so called "Block A" of the Old Town first. The activities related to the revitalization are to be coordinated by an operator, which has already been identified.

### ***Municipal Enterprises Restructuring***

Bielsko-Biala has requested USAID to provide assistance in analyzing the situation in municipal enterprises and in restructuring them. The analysis has covered four enterprises; two of which (ZOM - City Cleaning Enterprise and MZK - City Transportation Enterprise) have been thoroughly examined in respect of their financial standing, organizational structure, market on which they operate and legal environment. The result of this analysis was preparation of the documents "Options for Restructuring". The recommendations contained therein have been implemented through special workshops to discuss the conclusions of the documents. Separate retreat sessions for both enterprises were held at the end of January \*97. Their participants included the representatives of municipal authorities, the two enterprises and consultants, both Polish and foreign. The result of the workshops was preparation of the Action Plan with a schedule of restructuring tasks for both enterprises.

The basic elements of this action plan are shown below.

Financial analysis of ZOM	31.03.1997
Passing a resolution of intent by the City Council	30.04.1997
Preparing legal aspects of the restructuring and asking the community for opinions	30.06.1997

---

Passing the resolution proper by the City Council	31.07.1997
Concluding the contract between the ZOM and the City	30.09.1997
Beginning of ZOM operation as restructured enterprise	1.10.1997

---



---

Financial analysis of MZK	31.03.1997
Passing a resolution of intent by the City Council	30.04.1997
Preparing legal aspects of the restructuring and asking the community for opinions	31.07.1997
Passing the resolution proper by the City Council	31.08.1997
Concluding the contract between the MZK and the City	15.01.1998
Beginning of ZOM operation as restructured enterprise	30.01.1998

---

### ***Housing Program Financing***

To finance the ambitious housing program the City will have to obtain suitable resources. Initially, it was considered to fund the program through issuance of municipal bonds. An analysis carried by Polski Bank Inwestycyjny (PBI) indicated, that considering the capacity of the city budget, the maximum issue size can be as high as PLN 100 million. However, the assumptions for this analysis were somehow disputable and did not take into account the growing city's responsibility with financing education and health service. Another analysis, on the city's request made by RTI and PADCO, indicated that the size of bonds issue should be in the range of PLN 24 - 40 million.

At the same time, knowing the experience of other cities in this area, a bank credit was considered as an alternative for financing the housing program. The cost of such a credit could prove actually lower than the issue of municipal bonds.

Advantages and disadvantages of both solutions were discussed and as a conclusion the Executive Board and City Council were presented a mixed solution. According to it, first a bank credit in the amount of PLN 15 million will be obtained. In the meantime, the first portion of bonds will be issued in the late 1997 or early 1998.

### **ACTIVITIES FROM APRIL TO SEPTEMBER 1997**

During this period the activities will be continued in those areas, which have been dealt with so far, additionally one new area may be taken up.

### ***Housing Program***

**# Restructuring of Zakład Gospodarki Mieszkaniowej (ZGM) and privatization of selected units (ADMs).** It is expected that in May or June a detailed conception of ZGM restructuring will be formulated and approved by relevant municipal units. Further actions will depend on particulars of the adopted conception.

**# Assistance in establishing and operation of Towarzystwo Budownictwa Społecznego (TBS).** In the above-mentioned period TBS business plan and feasibility study is expected to be completed. Besides on-going consulting assistance to TBS will be provided.

**# Assistance in repairs to be carried out by a condominium.** It will consist in working together with a selected condominium to provide assistance in proper planning of repairs.

**# Revitalization of the Old Town.** A local development plan for the "A" Block of the Old Town is expected to be prepared by the end of June. The plan will then be submitted for contributions from citizens and in fall should be accepted by the City Council.

**# Housing Conference.** In early May a Conference on Strategies for Housing Development will be organized in Bielsko-Biala, during the City's achievements in this area will be presented. Representative of other cities, like Szczecin, Tarnów or Dzierżonów, which have some achievements in this field will take part in the conference.

### ***Municipal Enterprises Restructuring***

During this period activities aimed at privatization of both enterprises (ZOM and MZK) are expected to be continued in accordance with the schedule accepted in late January 1997. At the same time on-going support in restructuring of both companies will be provided.

### ***Financing the Housing Program***

As a consequence of the decisions made, works related to financing the housing program will be carried out. RTI consultants in cooperation with the city will help:

- ! Present before the City Council the housing program to be financed with the funds from the bank credit and issue of bonds.



- ! Present the financing program in the manner which was proposed and give arguments to support the suggested solutions.
- ! Prepare the application for credit and next organize workshops for banks interested in granting the credit.
- ! Select the most favorable credit offer.

- ! Prepare the issue of bonds, and then organize workshops for banks interested to act as an agent.
- ! Select the best offer for the agent responsible for the issue of bonds.

### ***Economic Development***

The city has turned to USAID for assistance in preparing strategies of economic development of the city. The local authorities are particularly interested in such areas like:

- ! Specifying the branches, whose development should be of prior importance to the city in respect of improvement of quality of life and revenue to the city budget.
- ! Suggesting instruments, with which the city would stimulate the development of particular branches. In this respect, the city would be particularly interested in suitable land management.

An initial analysis has been made in this area to recognize needs and opportunities. Because of the limited resources assistance in this field which will be provided in this area under Pilot LGPP will be very limited. The City officials will be acquainted with the results of the assistance in economic development in the other Pilot Cities; they will be also invited to the economic development workshop. In Bielsko Biala assistance will be concentrated on 2 tasks:

- ! Analyzing the market for additional hotel space in Bielsko Biala.
- ! Remodeling and updating the City Development Strategy to make it more transparent.

### **DELIVERABLES**

It is expected that during this period the following tangible results of work in Bielsko-Biala will be delivered:

- ! A model of financial analysis for the municipal enterprises. The model will be completed by late April/early May and could then be used by other cities taking part in the program.



- ! The first volume of the handbook on revitalization of buildings in old residential quarters, developed on the experience related to the revitalization of the Bielsko-Biala Old Town. The handbook should be completed by the end of May.
- ! A model business plan for Social Housing Project (TBS). It should be completed by mid-May.
- ! A handbook on repair works in a condominium. The handbook should be completed by the end of May.
- ! Proceedings from the conference on housing strategies which is to take place in Bielsko-Biala in early May. They will be completed by the end of June.
- ! It is difficult to define any specific results of the work related to economic development strategy. They should be known once the action plan for this area has been determined, which should not be sooner than early May.

## **THE RESULTS OF THE LGPP IN BIELSKO-BIALA**

The following should be listed as the most important results of the LGPP activity in Bielsko-Biala:

- ! Creation of a comprehensive housing strategy.
- ! Acceptance by the city authorities the conception for ZGM restructuring and privatization of one or more selected ADMs, as well as implementation of the suggested actions.
- ! Stable operation of the established Social Housing Project (TBS).
- ! Implementation, due to the assistance of the consultants, an effective schedule of repairs in a selected condominium.
- ! Development of a detailed conception of revitalization of the Old Town together with a local development plan, designation of the operator responsible for the implementation of the revitalization activities, and finally defining principles for participation in the revitalization program by public and private sector companies.

- ! Achieving the privatization of the two assisted municipal enterprises in a manner that ensures their long-term financial stability (at the same time having concluded relevant contracts with the city) and continuous improvement of the level of their services.
- ! Acceptance and implementation by the city authorities a series of actions to finance and carry out the housing program through a combination of a bank credit and issue of bonds.

## **DISSEMINATION OF THE RESULTS OF THE ACTIVITIES CARRIED OUT IN BIELSKO-BIALA**

A number of activities which so far have been carried out in Bielsko-Biala can become models for other interested cities. Apparently the most important elements that should be disseminated are:

- ! The manner of developing and implementation of a comprehensive housing strategy, which assumes participation of various partners. To disseminate this experience the conference, referred to above, will be organized in early May.
- ! The development of ZGM restructuring and possible conception of ADM privatization.
- ! The development of standard business plan for the Social Housing Project (TBS).
- ! The handbook on repair works (and funding them) for the condominium.
- ! The strategy of revitalization of old urban quarters with public and private sector participation. The handbook on revitalization is particularly worth dissemination.
- ! The model of financial analysis of a municipal enterprise.

## **ROLE OF THE GMINA**

One of the most important principles of the Pilot Local Government Partnership Project is the direct involvement of the Gmina in its implementation and allocation of adequate resources for the Project's implementation.





Bielsko Biala is a very good example of cooperation between the City Office and consultants providing the City with advise.

The City has allocated several resources to implement the Program properly; one of the most valuable is the time and effort of the City officials. Virtually every new consultant starting to work in Bielsko Biala is hosted by the Deputy Mayor Jerzy Krawczyk. Individual consultants working in the different areas cooperate very closely with their counterparts from the City Office and the municipal enterprises. The city also provides office space for work and meetings, transportation, if needed, and, in some cases, translation services.

It is also possible that, because of the limited resources under the Pilot LGPP the City will have to pay for the services of some consultants to complete their work.





Program	Goals	Responsible Contractor	Responsible for Gmina	Deliverable	Estimated LoE	April	May	June	July	August	September
Restructuring of the City Housing Management Enterprise (ZGM) and privatization of selected units	Preparation of the concept of ZGM privatization	Mr. M. Majchrzak & Mr. Z. Kostrzewa (CHF)	Deputy Mayor J. Krawczyk & ZGM Director W. Lozowski	Privatizat. Plan	Additional LoE for M. Majchrzak required: 20 - 25 man-days	xxxxxx	xx				
	Implementation of privatization of ZGM	Mr. M. Majchrzak, Mr. Z. Kostrzewa & Mr. Lawson (CHF)	Deputy Mayor J. Krawczyk & ZGM Director W. Lozowski		Additional LoE for M. Majchrzak required - 10 man-days		x	x	x	x	x
Establishing and developing of a pilot Social Housing Society (TBS)	Preparation of business plan and feasibility study for TBS	PADCO	Deputy Mayor J. Krawczyk	Business plan and feasibility study		xxxxxx	xxx				
	Continuing support for TBS	Mr. Witakowski & Mr. Z. Kostrzewa (CHF)	Deputy Mayor J. Krawczyk			x x	x x	x x	x x	x x	x x
Condominium rehabilitation	Preparation of condominium rehabilitation manual	PADCO	Deputy Mayor J. Krawczyk	Manual on condom. rehabilit.		xxxxxx	xxxxxx x				
	Assistance to the selected condominium	CHF	Deputy Mayor J. Krawczyk			x	x	x	x	x	x



Program	Goals	Responsible Contractor	Responsible for Gmina	Deliverable	Estimated LoE	April	May	June	July	August	September
Revitalization of the Old Town	Preparation of the land use plan for the Old Town	CHF/ PADCO	Deputy Mayor J. Krawczyk	Land use plan	Additional LoE for J. Czarnecki required: 4-8 man-days	xxxxxx	xxxxxx	xxx			
	Public comments from local inhabitants	CHF	Deputy Mayor J. Krawczyk					xxx	xxxxxx		
	Approval by the City Council	CHF	Deputy Mayor J. Krawczyk								x
	Handbook on Revitalization	PADCO - Mr. Skalski	Deputy Mayor J. Krawczyk	Handbook on Revitalization		xxxxxx	xxxxxx				
Housing conference	Conference on Housing Strategies	PADCO	Deputy Mayor J. Krawczyk	Proceedings and Conf. Reports			x				
Municipal enterprises restructuring	Presentation of the results of financial analysis of both enterprises to the Task Force	RTI (Cathy Revels)	Deputy Mayor Jerzy Krawczyk & Enterprises Directors	Report & presentation	2 days	x					
	Presentation of the results of financial analysis of both enterprises to the Task Force	RTI (Cathy Revels)	Deputy Mayor Jerzy Krawczyk & Enterprises Directors	Report & presentation	2 days	x					

Program	Goals	Responsible Contractor	Responsible for Gmina	Deliverable	Estimated LoE	April	May	June	July	August	September
Financing of housing program	Presentation to the City Executive Board of housing program and way of financing it	RTI & PADCO	Mr. Jan Gerlach (Dir, of the Ec. Develop. Departm.)	Written proposal & presentation		x					
	Presentation and approval of the program by the City Council	RTI & PADCO	Mr. Jan Gerlach	Presentation			x				
	Preparation of the loan application	RTI	Mr. Jan Gerlach	Loan application			x				
	Workshop for the interested banks and call for proposals to the banks for the loan for the City	RTI	Mr. Jan Gerlach	Organizing and conducting workshop			x				
	Selection of the most advantageous offer by the Selection Committee	RTI	Mr. Jan Gerlach	Advise to the Sel. Committee					x		
	Approval of the selection by the City Council	RTI	Mr. Jan Gerlach	Advise to the City Council					x		
	Signing an agreement with bank	RTI	Mr. Jan Gerlach						x		





Program	Goals	Responsible Contractor	Responsible for Gmina	Deliverable	Estimated LoE	April	May	June	July	August	September
Preparation of City economic development strategy	Assessment of the city needs in terms of economic development strategy	Pat Dusenbury & Jan Szczucki	Mr. Jan Gerlach	First assessment report	5 days	xx					
	Assistance to the City on analyzing the market for additional hotel space	Jan Szczucki & Maciej Gajewski	Mr. Jan Gerlach	Report	5 - 6 days			xx			
	Assistance to the City on remodeling and updating the City Development Strategy (CDS)	Jan Szczucki	Mr. Jan Gerlach	Revisions to the CDS	app. 6 - 8 days		x	x	x	x	
Coordination of work	Organizing 1 day workshop to discuss and coordinate assistance provided in different areas	Jan Szczucki	Mr. Dariusz Kraus (Mr. Krawczyk's assistant)	Workshop	3 days		x				

**Bielsko-Biala Listings**

Zbigniew Leraczyk, Mayor of Bielsko-Biala,  
Plac Ratuszowy 1, 43-300 Bielsko-Biala,  
tel. (033) 123-396, fax: (033) 215-09

Dariusz Kraus, Deputy Mayor Assistant,  
Plac Ratuszowy 1, 43-300 Bielsko-Biala,  
tel. (033) 124-444, fax: (033) 215-09

Jacek Stwora, Director of the City Cleaning  
Company (ZOM),  
ul. Gazownicza 38, 43-300 Bielsko-Biala,  
tel/fax (033) 269-12

Wojciech  ozowski, Director of the Housing  
Management Company (ZGM), ul. Lipnicka  
26,  
43-300 Bielsko-Biala,  
tel. (033) 145-931

Regional Development Agency  
(Agencja Rozwoju Regionalnego S.A.),  
ul. Legion w 57, 43-300 Bielsko-Biala,  
tel. (033) 136 212

Bielsko-Biala Entrepreneurship Center  
(Bielskie Centrum Przedsi biorczo ci),  
ul. Cieszy ska 367, 43-382 Bielsko-Biala,  
tel. (033) 183 369, fax: (033) 183 975

Cathy Revels, RTI, c/o Municipal  
Development Agency,  
tel. (022) 628 28 90 ext. 27, fax: (022) 622  
54 95

Slawek Getka, CHF,  
tel. (022) 22 26 56, fax: (022) 23 13 03

Jan Szczucki, Policy & Action Group, ul.  
Pruszkowska 17 p.709, 02-119 Warszawa,  
tel/fax (022) 22 82 32

Jerzy Krawczyk, Deputy Mayor of Bielsko-  
Biala,  
Plac Ratuszowy 1, 43-300 Bielsko Biala,  
tel. (033) 123-010, fax: (033) 123-209

Jan Gerlach, Director of the Economic  
Development Department,  
Plac Ratuszowy 1, 43-300 Bielsko Biala,  
tel. (033) 122-27, fax: (033) 215-09

Damian Zniszczol, Director of the City  
Transportation Company (MZK),  
ul. Długa 50, 43-309 Bielsko-Biala,  
tel. (033) 144-972, fax: (033) 145-188

Stanislaw Gawlas, Director of the City  
Development Office,  
ul. Powsta c w Slaskich 6,  
43-300 Bielsko Biala,  
tel. (033) 113-484

Regional Chamber of Commerce and  
Industry  
(Regionalna Izba Handlu I Przemyslu)  
ul. Wzg rze 19, 43-300 Bielsko Biala,  
tel. (033) 126-418, fax: (033) 123-836

Sp. z o.o. "INTERPRETER" - Biuro  
Tlumaczy,  
fax (033) 214-87  
tel. (033) 113483

Chris Kaczmarek, RTI, c/o Municipal  
Development Agency,  
tel. (022) 628 28 90 ext. 28, fax: (022) 622  
54 95

Jan Czarniecki, PADCO,  
tel. (022) 620 83 00, fax (022) 624 31 59





## **ACTION PLAN FOR THE CITY OF GLIWICE APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

The Action Plan for Gliwice determines follow-up advisory work under the Pilot Local Government Partnership Programme (Pilot LGPP). The time frame for these activities ends late September 1997. This does not mark the end of collaboration between USAID and the municipality, however. The comprehensive Programme is scheduled to start this autumn, and advisory work may continue as agreed by the parties.

The Plan's focus is on the description of the advisory work and its deliverables' content rather than setting exact visit deadlines. Wherever possible, it is designed to fine-tune those issues so that all the parties to the programme, i.e., the city, experts and UI/USAID have a common understanding of them.

The plan may be modified in the course of implementation as new circumstances develop.

The Pilot LGPP is anticipated to spur recommendations for the comprehensive Programme as to a work continuation trend.

### ***The Municipality***

Gliwice is a town with an area of 133 square kilometers and 216 thousand residents. It is one of the oldest and fastest growing towns in Upper Silesia.

The city is at the junction of land and water routes. It is also one of major railway junctions in Silesia. The Gliwice Canal, which links the city with the Odra river and harbors Poland's largest and most modern in-land port, is an important route, too. Gliwice has an airport for sports events which can also be used for transportation.

Gliwice's core business is industry: coal mining, machine and chemical industries. There are 50 large industrial operators in Gliwice. Recently, the city has been selected by General Motors as a site of their new Central European automotive factory.

Gliwice is home to the Silesian Polytechnic, one of Poland's most renowned higher education providers.

Labor market characteristics are the following: pre-employment age population: 53,804, employment age population: 135,099 (69,686 male and



65413 female), post-employment age group: 24,489. The active working population numbers 82497 (include. 48,520 males and 33,977 females), with the unemployment rate below 8 percent (9.1 percent average for the entire Katowice province). Internal migration balances at a positive 245, with external migration being a negative 501.

### ***USAID and Other Aid Organizations' Advisory Assistance to Date***

Gliwice has received a relatively large amount of advisory assistance. Part of that assistance has been channeled through the Pilot LGPP and is being continued to date. Other types of assistance have included:

- ! **The Democracy Network Project.** Under that project, the Real Estate Owners Association received a grant to support a project designed to increase involvement of condominium in real estate management. The project's aim is to trigger management take-overs in 20 residential buildings.
- ! **U.S. Department of Labor's Alternative Work Fund.** Under this project a fund is established to support job creation. It is designed to assist the coal industry restructuring process.
- ! **SME Information Center.** This USAID and EU PHARE funded project focuses on gathering information required by small and medium-sized enterprises.
- ! **Environmental Assistance Programme.** The project implemented in the framework of this programme is geared to enhance district heating system improvements through modernization of temporary pipelines and liquidation of old heating boiler plants.
- ! **Struder Programme.** Designed to provide financial assistance for SME sector investments, thereby create more new jobs. The Programme is in operation in Poland in several provinces in a particularly difficult labor market situation. Under this programme, businesses may receive financial assistance for investment projects and loan guarantees.

### ***Advisory Assistance Goal***

As determined in the agreement between Gliwice and USAID, the goals of advisory assistance are:

- Economic development
- public participation
- Municipal finance

Within the framework of economic development, the agreement sets forth preparation of an economic development strategy, with particular focus on establishing good collaboration links with the business community and the Silesian Polytechnic.

In terms of public participation, the agreement sets the scene for social communication strategy development, with particular focus on activities designed for economic development.

In the area of municipal finance, it is assumed that the municipal finance analysis will result in defining the best possible way of funding municipal investment projects and that public utility companies will be analyzed.

It needs to be underscored that the period of agreement extends beyond the timing of the Pilot LGPP implementation, hence some advisory work will be done under the comprehensive LGPP.

The general idea behind the agreement, and advisory assistance by implication, is to strengthen local government by enhancing professional management in various work areas of local self-management.

## **ADVISORY ASSISTANCE TODAY AND IN THE FUTURE**

### ***Scope***

Until last April, Gliwice has hosted several advisory missions.

Work has been at its most advanced in the area of finance. The city and its investment plan has been subject to a financial analysis. The outcome was presented to the City Hall and Council.

In terms of economic development, the work to date has focused chiefly on taking a 'snapshot' view of Gliwice and its region's economic environment. It also set out general trends for activities described below.

In public participation, following the analysis of the situation, the work to date has helped to determine further course of action. The City Hall management



workshop which outlined the tenets for social communication strategy have been an important element of the work to date.

A number of discussions have resulted in the following advisory work programme.

### **Economic Development**

The basic advisory work area for Gliwice is economic development.

The initial assumption was for this to be assistance in developing the region's economic development strategy. However, since the analysis showed that the issue involves a large number of local and regional partners, the resulting view was that the situation is too complex for a pilot programme, given its short time span, to map out the regional development strategy preparation as its objective. The situation was all the more complex given that in the framework of the Local Leaders Board (representatives of the surrounding municipalities) assumptions were prepared for a regional strategy. The output of the Board's work includes four issues considered to be key to the region's development: water management, waste management, tourism and a technology park.

The team of experts will focus in their work on completing the snapshot picture of the business environment. It will be adjusted and complemented by incorporating the city's feedback on the existing snapshot.

The core of advisory work will consist in assisting in the industrial park's planning and implementation process.

For some time now, the municipal authorities have cherished the idea of developing a technology park. Upon analysis of the city's advantages, it seems that Gliwice's has almost all the resources required to organize such a venture. However, on the other hand, a thorough feasibility analysis of the industrial park needs to be undertaken. There is a large number of players interested in the idea, with each of them having a slightly different understanding of its concept and mode of operation as well as varied expectations. At least, three of them play a key role: The City of Gliwice with its Business Initiatives Agency, the Silesian Polytechnic and General Motors. Other than that, potential stakeholders include other organizations set up to promote entrepreneurship, various scientific institutes and industrial operators (e.g., chemical industry).

Yet, there has been a number of initiatives to develop technological parks, or at least technology transfer centers, throughout Poland. Many of these failed and that experience, however negative, is worth looking into, too.

At any rate, many partners support, or at least understand the technological park concept, yet a common vision for the park is still not in place.

The technology park's development process is anticipated to proceed in three stages: high technology incubator, technology transfer center and the technological/ industrial park.

The first part of advisory assistance will pertain to the incubator stage, which is in its nascent state, today. Assistance will focus on topical issues related to putting the incubator to work, e.g., preparation of the incubator recruitment criteria, preparation of the utilization level projections, incubator management cost forecasts.

The overriding goal for advisory assistance, however, is to coordinate the most important partners who are relevant in high technology ventures, develop a common understanding of the substance of the issue and determine what can possibly be done in this respect in Gliwice. It is for the Gliwice's side of partners to respond whether their vision incorporates a comprehensive technological park or a mere technology transfer center. Advisory activities might help to create a common vision and goal, form a task force and outline an action plan which would spell out tasks to be performed step by step. An important element in this undertaking is to provide a general assessment of the new technologies market.

Assistance will start with analysis of the park's individual partners with a view to understanding their expectations, vision and role in the process and collection of basic information required to assess the venture's feasibility. Parallel to this will be an effort designed to gather information on the Polish and foreign experience to date, project funding possibilities and development of materials in the subject of definition and terms used in the area of high technologies.

This work will be used to prepare a meeting of partners/ stakeholders. The meeting will be in the form of a workshop and is precisely geared to generate a common vision, outline action plan guidelines, allocate tasks to individual partners (having used the needs and experience evaluation gathered in Stage One). Following the meeting, work will focus on assisting the working group in fine-tuning the action plan in order to establish a technology transfer center and the technological park further down the line (if such is the consensus). At a later stage, until the programme lasts, assistance will consist in the task force



monitoring the action plan's implementation. Advisory assistance will also focus on guidelines for potential funding opportunities in high technology ventures.

As a follow up Pilot LGPP Program will deliver detailed American case studies (requested from GAIG) and support in preparing basic documents (business plan), especially reviewing what they have prepared.

### **Public Participation**

The second area of advisory work is public participation along with information policy.

In terms of contacts with residents and information policy, Gliwice are more advanced than many other towns and cities. This may be exemplified by the city hall's organization, including the visitor service area on the ground floor.

Following the analysis of the current situation, advisory work in this domain will focus on determining a public communication programme designed to improve residents' participation in decision making processes. As aforementioned, a very important element of this work, i.e., a workshop for key local government players, has already taken place. The workshop has been helpful in gaining a common understanding of the substance and purpose of public communication and outlining communication strategy guidelines.

Based on these guidelines, further work will consist in drafting a strategy, which will then be submitted to the City Hall for approval. The strategy will determine strategic objectives for public communication as well as methods and tools of their implementation. The chief party on the city's side is the Information Desk established recently. Assisting the Desk in defining its mode of operation, including communication strategy implementation, will be an important element of advisory work in this respect.

As a follow up there will be assistance in preparing finance guidelines for city budget in order to implement the communication strategy.

### **Municipal Finance**

The third area is municipal finance.

The municipality's financial analysis is a standard undertaking of the Pilot LGPP in pilot *gminas*. An awareness of the municipality's financial capacity is

necessary to plan various activities. A financial advice action plan is divided into a number of stages. They accompany all other elements of advisory work.

As mentioned above, Gliwice have already been subject to an analysis, which has been communicated to the City Hall. Since the city has determined major investment areas, now there is no urgent need to engage in the entire procedure of long-term investment programme development. Advisory work will focus here on finding the best possible funding channel for these projects. In addition, the City Hall staff will be trained to acquire skills in using this model in their ongoing work so that the analysis might be updated subject to changes in macro- or micro-economic factors.

### ***Timing***

The timing has been presented in detail in the table annexed hereto. Work is anticipated to slow down in the holiday period. Work will then consist primarily in analyzing the collected information and developing programs or conclusions and recommendations. This work will be completed and summarized in September.

### ***Required Resources***

Polish and foreign experts' participation is required for implementation of the above tasks. Their joint effort is expected to result in improved effectiveness of advisory assistance at large.

In order to implement advisory activities in the area of economic development, it is necessary to ensure participation of Pat Dusenbury from the Urban Institute who will complete the snapshot of the region's business environment following incorporation of the city's feedback.

In work on the technological park, there are plans to use Mr. Darek Skwira, a FISE consultant, in the first part (high technologies incubator advice). Hanna Ruszczyk from CDC will make her contribution in the following part. She will analyze the park's partners with a view to understanding their expectations and needs and thus will transfer experience from a similar process in Kutno. Maciej Gajewski and other Uniconsult consultants will be used to collect Polish experiences.

The above consultants will be used to prepare and implement a workshop and to monitor the implementation of the developed action plan. On the city's side, it is necessary to ensure participation of the staff of the Gliwice Business Initiatives Agency and other organizations.





For public communication task implementation, there is a need to include Mr. Bill Guarrant, Director for Public Services and Information in Charlotte , USA, and Ms. Becky Gadell, Public Communication Director in Austin, USA. Active participation of the city's Information Desk is required on the municipal side.

Financial advise requires participation of RTI financial experts, headed by Chris Kaczmariski. On Gliwice's side, work should be assisted by the city Treasurer and other members of the Financial Department staff. In the framework of partnership and cooperation, the city must provide place for work and a relevant repertory of required information.

### ***Deliverables***

In terms of economic development, the deliverables include the snapshot, analysis of the region's economic environment, needs evaluation for the technological park, workshop materials and the technological park action plan. A helpful deliverable, however difficult to determine at this stage, is an application for park funding, or at least guidelines for drafting such applications.

The public communication deliverable are workshop materials and a communication strategy.

The financial deliverable is the city's finance analysis and a comparative report on various forms of investment project funding, including municipal bonds and long-term loans.

Other than the above chief deliverables in each area, working papers will be developed, too. In addition, a case study will be developed for each area, with visit reports for some of the visits.

***Results of the Pilot LGPP Intervention***

Advisory intervention in the area of economic development will trigger off the technological park development process, and will clarify the situation prior to that.

For the incubator, the intervention will spur its adequate work, and a high occupancy ratio in indirect terms.

One result for social communication will be to start activities geared to increase citizens' participation in the city management process and first positive results of these activities.

In the area of finance, the intervention's output will be a determination of the funding channel for municipal investment projects, a positive opinion of the City Council and implementation start-up for this channel.

## Technical Assistance: Summary

Issue	Goal	Detailed tasks	Responsible person (USAID)	Responsible person (municipality)	Deliverables	Timing					
1.	2.	3.	4.	5.	6.	IV	V	VI	VII	VIII	IX
Economic development	Region's business environment snapshot • prepare concise information package to be used for various activities designed for economic development	(a) collection of additional info required for final snapshot incorporation of city's feedback (b) develop suggestions for the city so as to enhance city - business community cooperation	Pat Dusenbury, UI	GAIG Director Włodzimierz Koczoł Piotr Popiel Mayor's Assistant	• region's business environment snapshot, • working papers, • case study, • visit reports	a	b				
	Technological Park • gathering of key partners and development of common vision • develop the action plan and proceed with implementation	(a) determine lobby groups and analyze their expectations (b) collect info required for the technological park (c) process Polish & foreign high tech experiences (d) development & implementation of workshop (e) action plan - preparing basic documents	Pat Dusenbury, UI Hanna Ruszczyk, CDC Maciek Gajewski, Uniconsult	GAIG Director Włodzimierz Koczoł, Piotr Popiel, Mayor's Assistant	• technological park needs assessment, • workshop materials • technological park action plan	a b c		d	e		
	Business Incubator - support in starting activities and running the incubator	assistance in ongoing operation and basic business plan for the incubator	Darek Skwira, FISE	GAIG	working materials			—	—	—	—



Issue	Goal	Detailed tasks	Responsible person		Deliverables	Timing								
			person (USAID)	person (municipality)		IV	V	VI	VII	VIII	IX			
1.	2.	3.	4.	5.	6.									
Public participation and information to residents	<ul style="list-style-type: none"> <li>enhanced residents' participation in the decision-making process</li> <li>improved manner of communication with the residents</li> </ul>	(a) analysis of the city's societal situation (b) organization of workshop on social communication strategy (c) strategy guidelines determination (strategic goals, methods and tools) (d) preparation of strategy implementation plan with the city's Info Desk (e) guidelines for the budget in order to complement the strategy	Bill Guerrant, UI Becky Gadell, UI	Krzysztof Semik, Mayor's spokesman, Piotr Popiel, Mayor's Assistant	<ul style="list-style-type: none"> <li>workshop working papers which illustrate how process is organized)</li> <li>Social Communication Strategy</li> <li>case study</li> <li>visit reports</li> </ul>	a	b	c	d	e				
Financial analysis- Investment project funding plan	help the city to determine the best possible funding channel for most urgent projects	(a) prepare tenets for various funding channels & selection of the best possible one (b) submit proposal to Board (c) city hall staff training on use of the financial analysis model	Chris Kaczmarek, RTI	Janusz Siejko, City Treasurer	<ul style="list-style-type: none"> <li>funding plan for most urgent projects</li> <li>case study</li> </ul>	a	b	c						



## **DISSEMINATION OF ADVISORY WORK RESULTS**

One anticipated way of disseminating the advisory work results will be in the form of prepared case studies and the tools - approaches to conduct. *Wspólnota* (Community), the local government weekly will provide an important forum for dissemination, where information on the progress of advisory work and its results (in longer term) will be published. The published information packs (brochures?) with description of specific actions will be an important element in the dissemination effort.

In the event of public participation, a video is scheduled for preparation to illustrate the communication strategy development process step by step. Dissemination should also be directed to consultants and consulting companies since they should be the ones to take over the experiences and use them in their work in the municipalities. This could be done by way of seminars organized for professionals. Seminars for representatives of pilot towns and consulting companies will be an important dissemination tool. A conference to summarize the pilot programme will be the dissemination's kingpin. It will provide ground for presentation of all the results, with most of them in the form of developed materials.

## **EFFECTIVENESS EVALUATION (MONITORING PROCESS)**

Given such a short period of the program's operation, it is difficult to talk about an evaluation of the program's effectiveness, in particular in terms of statistical indicators.

Most effectiveness evaluations will have to be anchored in indicators which are 'softer' than figures. Effectiveness may be gauged by the start-up of work on the technological park as a consequence of collaboration between major partners. Public participation may be measured by the fact that residents take an increased interest in local government activities, contribute their remarks, and have a positive view on the way authority is exerted in the city. A general measure of effectiveness will be indicated by the program's good opinion among the city councilors, city hall staff, residents and the media.



## **ACTION PLAN FOR THE CITY OF KUTNO APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

Kutno, with a population of 51,000 is located in the Province of Plock, in the center of Poland. It is between Warsaw and Poznan, located on the main highway - A-2. It is very close to the intersection of the two major international routes crossing Poland A-2 (Paris-Moscow) and A-1 (Gdansk-Vienna). Kutno is also one of the biggest rail way junctions in the country for passenger as well as for freight transport. 50,000 passengers travel through Kutno daily on the train. Kutno is located between the biggest cities in Poland, Warsaw, Lodz, and Poznan and has access to more than 20 million consumers.

Kutno is surrounded by agriculture with the majority of land being of good soil (classes 1-3). Main products include corn, potatoes, sugar-beets and other vegetables. There are several food processing companies in the region. The biggest employers in the city are Polfa (pharmaceuticals) and Miflex (electronics), each with over 1,000 employees. There are 6 foreign investors in the city. The unemployment rate is 20 percent, 59 percent of whom are between the ages of 18-34, 75 percent have only completed a basic technical education or elementary level education and 43 percent have been unemployed for over 12 months.

The city of Kutno has been very proactive and has received technical and financial assistance from a variety of sources beginning in 1992 from the US Department of Labor, American Peace Corps from 1992 - 1997, the EU PHARE program for local initiatives 1993-1994 among other programs, the British Know How fund in 1993 - 1996 and currently, assistance from USAID - Pilot LGPP.

The Role of the Partnership between USAID and Kutno is to strengthen the municipality's capacity to be more effective, responsive, and accountable. Two critical areas for assistance have been determined by USAID in collaboration with Kutno, they are the following:

- ! Assistance in development and implementation of an economic development strategy for the city and the region with the KPAP (Kutno Agro-Industrial Park) as its cornerstone.
- ! Assistance in development of a long term housing strategy for the city with continued assistance from CHF.

## TECHNICAL ASSISTANCE (PRESENT and FUTURE)

### *Assistance Provided up to March 1997*

As of March 20, 1997 the following interventions have been provided in Kutno by the USAID Pilot LGPP:

**# Redefinition of the overall economic development strategy to reflect practical needs and community assets.** This was completed by Blaine Liner, Director of the State Policy Center of the Urban Institute, over a period of several months. He reviewed the materials that were completed before his arrival and conducted interviews with all of the key players in the community. He developed an action plan with the city leaders for the implementation of the strategic plan which had been approved.

As part of Kutno's economic development strategy, they are developing a section of land on the outskirts of town. Mr. Richard Mook, an agriculture economist from the US Department of Agriculture spent several days in Kutno reviewing the efforts which had taken place to develop the then termed Food Distribution Center Project. He provided many suggestions on how to proceed with the project. Due to the work conducted by Mr. Liner and Mr. Mook, the main project for economic development in Kutno changed its focus away from strictly agriculture in nature to include the possibility of other endeavors on the site as well. This led to the formulation of the KPAP. The Kutno Agro-Industrial Park consists of approximately 230 ha. of land, owned primarily by the city, that is available to investors for business development. The overall objective of the park is to create new jobs for the citizens of Kutno.

In March 1997, a Strategic Planning workshop was conducted by Kathy Alison, Senior Management Consultant from Training Resources Group (TRG), with technical assistance from Blaine Liner. The purpose of this successful three day workshop was to develop an action plan for the development and implementation of the Kutno Agro-Industrial Park (KPAP). The end results included, in addition to the action plan, the following:

- A list of criteria for and roles and responsibilities of the project operator.
- Next steps in the development of the business and promotion plan for the Park.
- Plans for a public participation program that would increase public awareness and participation of the general public in the development of the park.





Please review Chart 1 and 2 for further detail.

**# Chris Kaczmariski, an Infrastructure Finance Advisor from the Research Triangle Institute, assisted the municipality in developing and applying a Gmina financial analysis model.** He assisted in the preparation of a loan application for a loan for the sewage treatment plant. He also analyzed the possibility to apply for a new loan for 1 million dollars. The project was completed in 1996 and was considered very beneficial by the Mayor of Kutno.

**# The Cooperative Housing Foundation (CHF) assisted in the establishment of a non governmental organization in Kutno called the Agency to Support Housing Initiatives (AWIM) in late 1996.** Wojciech Wojtysiak and Slawek Getka have been leading the effort from the CHF. The CHF has provided technical assistance to enhance local level institutional and human capacity in the private sector housing development, management and maintenance arena. CHF has provided structured monthly training and practical on the job training. This has allowed the AWIM to begin the process to become a self sustainable, financially independent entity which will provide housing production and advice to home builders if requested. Long term, it is hoped that this cooperative will be capable of supporting market-oriented housing delivery.

#### ***Assistance to be provided from May 1997 - September 1997***

**# Economic Development.** The Municipality would like to receive continued technical assistance in the area of economic development and other associated topics. The city has developed its strategic plan and its economic development strategy with the assistance of USAID. At the center of the strategy is the development of the KPAP. To reach the successful completion of the development of the KPAP and creation of new employment opportunities, Kutno will receive several types of assistance from USAID.

They will receive continued assistance in economic development and other associated topics including a land use expert to evaluate the land and to make recommendations on proper use, financial expertise will be provided to assess the internal capacity of the municipality in financing such a large project and ways to approach external financing sources, a business plan will be developed, a marketing strategy will be developed with assistance, technical expertise will be provided in the area of development of industrial parks, and an active approach to public participation will be formulated. All of these types of technical assistance are necessary for Kutno to implement its economic development strategy. Through the use of the types of technical assistance which USAID is

able to offer, the Municipality of Kutno will be empowered to be more effective, responsible and accountable to its citizens.

**# Housing.** The Kutno AWIM will continue to receive technical expertise from CHF. The experience has been very positive and beneficial. The AWIM has begun to construct housing and still needs to develop its human resource capacity to be able to manage the AWIM properly over the long term.



### ***Schedule of Events and Interventions***

# **Economic Development.** Please view Chart 1 and 2 for further detail on activities associated with the KPAP. These two charts were formulated by the key Kutno players during the strategic planning workshop held in March 1997 organized by Urban Institute and TRG. These charts detail the scope of work which needs to be completed by the Task Force in Kutno (comprised of employees from the municipality as well as leaders in the community who will take an active role in the development of the KPAP). Areas of expertise which USAID can contribute are listed as well in Charts 1 and 2 under the heading "Additional Resources Required".

# **Housing.** Continued assistance from the CHF for the Kutno AWIM is necessary to continue the growth and progress begun in 1996 through the collaboration between the AWIM and CHF.

### ***Resources Required***

# **Land Use.** Advice is needed from a Land Use expert to evaluate the assumptions being used for the KPAP and to develop the best and most appropriate way to utilize the existing land. Mr. Buczek from the Cracow Real Estate Institute (CREI) will be the consultant. Length of time requested: 10 working days.

Time line: May 1997

# **Concept Development for the KPAP and Business Plan Formulation.** An experienced person in industrial park development is needed in Kutno. His role would be to provide alternatives for the development of the KPAP and then to assist in the development of a Business Plan. A Citizens Democracy Corps Volunteer who has worked with industrial parks in the States and has a financial background will be brought to Kutno for one month. Hanna Ruszczyk will also assist in this project. Length of time requested: 25 working days for the CDC advisor. 5 working days for Hanna Ruszczyk.

Time line: June - July 1997

# **Development of a Marketing Strategy.** A Marketing Strategy needs to be developed for the KPAP. The consultant will be a Polish company called American Systems of Marketing (ASM) located in Kutno. Length of time requested: 12 working days.

Time line: May - Sept 1997

# **Public Participation.** Assistance is needed in developing a strategy to involve the citizens of the community in the development and support of the KPAP. Mr. Guerrant will be the consultant and Hanna Ruszczyk will provide follow up services to Kutno. Length of time requested: 3 working days for Mr. Guerrant and 5 working days for Hanna Ruszczyk.

Time line: June - July 1997

# **Sources of Financing.** Hanna Ruszczyk will assist the Municipality in searching for potential sources of financing for the Municipality for infrastructure financing or funds for potential investors.

# **Finance.** Assistance from Chris Kaczmarek is needed for two specific areas. Development of the budget for the infrastructure component of the KPAP needs to be formulated. Length of time requested: 4 working days. Total 4 days.

Analysis of the municipality's budget needs to be conducted to assess the capability of the City to finance such a large scale project and in what form. If it is feasible then assistance will be needed to develop strategies to approach potential lending sources. Length of time requested: 5 working days x 2 visits. Total 10 days.

Time line: June - August 1997

# **Strengthening of the Kutno AWIM.** CHF is needed to provide ongoing technical assistance in the form of training events and transfer of know how to the AWIM to strengthen the capacity of the AWIM to be self sustainable long term. Length of time requested: ongoing.

Time line: May - Sept 1997

### ***Deliverables***

# **Land Use.** Confirmation of the underlying assumptions for the KPAP and development of a land use plan for the KPAP.

# **Concept Development for the KPAP and Business Plan Formulation.** Advise pertaining to formulation and organization of an industrial park. A Business Plan completed by the task force of the KPAP with assistance from the



Citizens Democracy Corps Volunteer. This Plan would then be presented to potential investors, banks, area businesses, and others who were interested in the KPAP.

**# Development of a Marketing Strategy.** Marketing Strategy formulated and disseminated among relevant parties.

**# Public Participation.** Seminar on how to conduct a public participation campaign. A communication piece will be formulated which will be disseminated to the community at large.

**# Sources of Financing.** Information gathered about various potential funding sources, investors. Meetings organized with the appropriate decision makers.

**# Finance.** Budget formulation for the KPAP. Evaluation of the viability of the Municipality to finance the development of the KPAP and development of strategies to locate other potential sources of funding for the KPAP.

**# Strengthening of the Kutno AWIM.** Training activities and know how transfer from CHF to the Kutno AWIM.

### ***Results of the Pilot LGPP Intervention***

**# Land Use.** Creation of a realistic and sound land use plan for the KPAP.

**# Concept Development for the KPAP and Business Plan Formulation.** Completed Business Plan which attracts businesses to invest and or allows the city to receive infrastructure financing from external sources.

**# Development of a Marketing Strategy.** Long term Marketing Strategy developed and implemented which will lead to the successful completion of the KPAP.

**# Public Participation.** Better relationships between the Municipality and the residents, businesses and surrounding municipalities. Increased communication flow. More effective management of projects. Involvement of citizens in the economic development process.

**# Sources of Financing.** Better understanding of the financial intermediaries who are in Poland and who can assist in the development of the KPAP.

# **Finance.** Sound financial condition of the municipality while it finances the development of a large infrastructure project (the KPAP).

# **Strengthening of the Kutno AWIM.** Sustainable, viable, association which long term will be providing housing to many segments of the population.



## DISSEMINATION

The integrated process that Kutno is undertaking to develop can be replicated in most of the cities involved in the Pilot LGPP and in the LGPP. Various techniques, processes, and forms can be institutionalized and transferred to other communities throughout Poland.

- ! **Land Use.** Creation of realistic and sound land use plans, techniques used can be applicable in other communities which have large surpluses of land. This is very common throughout Poland, especially agricultural land.
- ! **Concept Development for the KPAP and Business Plan Formulation.** Criteria utilized can be transferable to other communities. Completed Business Plan which attracts businesses to invest and or allows the city to receive infrastructure financing from external sources can be used a model for others to follow.
- ! **Development of a Marketing Strategy.** Outline of a Marketing Strategy can be utilized in other communities.
- ! **Public Participation.** Better relationships between the Municipality and the residents, businesses and surrounding municipalities need to be formed in most cities and gminas. Involvement of citizens in the economic development process is innovative and has not been frequently utilized here. This type of interactive approach to managing is very new in Poland.
- ! **Sources of Financing.** Better understanding of the financial intermediaries who are in Poland and who can assist in the development of the KPAP can be disseminated in writing for others to use.
- ! **Finance.** The methods gained by the municipality in evaluating its financial condition to finance the development of large infrastructure projects is necessary for all municipalities. A handbook on the tools utilized can be formed.
- ! **Strengthening of the Kutno AWIM.** This type of initiative is needed throughout Poland to assist in alleviating the drastic shortage of housing in Poland. This type of non governmental organization can be

replicated throughout Poland as a viable option for government initiatives.





## Key Contacts in Kutno

Grazyna Gola-Groblewska  
Inspector  
Biuro Studiów Strategicznych  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-26-44  
fax. (48-24) 54-28-36  
email: urzkutno@plocman.pl

Bogusław Szubert  
Manager  
Biuro Studiów Strategicznych  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-26-44  
fax. (48-24) 54-28-36  
email: urzkutno@plocman.pl

Joanna Brylska  
Inspector  
Biuro Studiów Strategicznych  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-26-44  
fax. (48-24) 54-28-36  
email: urzkutno@plocman.pl

Aleksandra Bielecka  
Inspector  
Biuro Studiów Strategicznych  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-26-44  
fax. (48-24) 54-28-36  
email: urzkutno@plocman.pl

Marek Rutowicz  
President  
of the Management Team  
Regional Development Agency of  
Kutno ARRK S.A.  
ul. Wyszynskiego 11  
99-300 Kutno  
tel. (48-24) 54-29-51

fax. (48-24) 53-75-94

Radosław Chardika,  
Vice-President,  
Regional Development Agency of  
Kutno ARRK S.A.  
ul. Wyszynskiego 11  
99-300 Kutno  
tel. (48-24) 54-29-51  
fax. (48-24) 53-75-94

Ireneusz Groblewski  
President R.I.G.  
of the Management team  
of the Regional Chamber of  
Commerce  
P.W. "Urbud"  
ul. Woj. Polskiego 10a  
99-300 Kutno  
tel. (48-24) 53-39-92  
fax. (48-24) 53-63-18

Maciej Dercz  
Chairman  
Association  
of the Kutno region communes  
Z.G.R.K.  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-22-05  
fax. (48-24) 54-22-05

Piotr Benedykciński  
Pełnomocnik Zarządu Miasta d/s  
KPAP  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. 54-70-60, 54-76-33  
fax. 54-28-36

Zbigniew Burzyński  
Vice-President  
Zarząd Miasta Kutna  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-26-02

fax. (48-24) 54-24-93

Malgorzata Ekstowicz  
Assistant President  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-24-93  
fax. (48-24) 54-24-93

Krzysztof Debich  
President  
Zarząd Miasta Kutna  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-24-17  
fax. (48-24) 54-24-93  
email: urzkutno@plocman.pl

Wiesława Wiktorczyk  
Manager  
Gospodarki Gruntami i Rolnictwa  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-70-60  
fax. (48-24) 54-28-36

Elzbieta Wojciechowska  
Manager  
Urbanistyki i Architektury  
U.M. w Kutnie  
Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 53-38-85  
fax. (48-24) 54-24-93

Wiesława Adamczyk  
Manager  
Finansów i Budgetu  
U.M. w Kutnie Pl. Pilsudskiego 18  
99-300 Kutno  
tel. (48-24) 54-24-30  
fax. (48-24) 54-28-36

Marcin Zoll  
Vice President  
Zarząd  
Sobiesław Zasada Centrum S.A.  
ul. Omulewska 27  
04-128 Warszawa



tel. (48-22) 610-90-00

fax. (001-202) 659-8985

email: bliner@ui.urban.org

Hanna Ruszczyk

Deputy Director

C.D.C.

ul. Koszykowa, 60/62 m10

Warszawa

tel. (48-22) 625-7085

fax. (48-22) 625-7062

email: CDC@ikp.atm.com.pl

Barbara Prag

Peace Corps Business Advisor

Biuro Studiów Strategicznych

U.M. w Kutnie Pl. Pilsudskiego 18

99-300 Kutno

tel. (48-24) 54-26-44

fax. (48-24) 54-28-36

email: urzkutno@plocman.pl.

*US address:* 52 Oakland Ave.

Rockaway, NJ 07866

ph. (001-201) 627-0377

email: djprag@juno.com

Elzbieta Syrda

President

American Systems of Marketing

ul. Wyszynskiego 11

99-300 Kutno

tel. (48-24) 54-44-51

fax. (48-24) 54-44-30

Kathy Alison

Senior Management Consultant /

Trainer

Training Resources Group

909 N. Washington Street, Suite 305

Alexandria, VA 22314 USA

tel. (001-703) 548-3535

fax. (001-703) 836-2415

email: Kathy\_Alison@trg.CCMAIL.

CompuServe.COM

Blaine Liner

Director

State Policy Center

2100 M. Street, N.W.

Washington, D.C. 20037 USA

tel. (001-202) 857-8509

Jolanta U. Coleman  
American University  
Department of Chemistry  
4400 Mass Ave. N.W.  
Washington, DC 20016 USA  
tel. (202) 885-1755  
fax. (202) 885-1752  
email: jcoleman@american.edu

Renata Jachimek  
Translator/ Interpreter  
ul. Królowej Marysienki 1/45  
02-954 Warszawa  
ph. (048-22) 651-7273

Elzbieta Pulawska  
Translator  
Translator, Inc.  
ul. Oeandrów 4/5  
00-629 Warszawa  
tel./fax. (048-22) 25-09-26

## **ACTION PLAN FOR THE NOWY SACZ PUBLIC SERVICE CITY ZONE APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

Public Service City Zone in Nowy Sacz (PSCZ) is a combined union of 14 *Gminas* established in January 1997. PSCZ has taken over, at the local level, part of the tasks and competencies of the national government in the domain of Secondary School Education, Health Care, the administration of roads, management of Welfare Houses and major part of administrative decision-making that used to remain within the cognizance of the Regional Administrative Office.

The PSCZ is located in south-central Poland in the Carpathian Mountains range. The Zone area covers 1328 square kilometers (24 percent of the Nowy Sacz Voivodship), inhabited by the population of 237 thousand. The Zone consists of 14 gminas, which includes 2 urban gminas (Grybow, Nowy Sacz), 4 urban-rural gminas (Krynica, Muszyna, Piwniczna, Stary Sacz), 8 rural gminas (Chelmiec, Gmina Grybow, Kamionka Wielka, Łabowa, Łacko, Nawojowa, Podegrodzie, Rytro).

The PSCZ region is predominantly rural and agricultural. The local economy is based upon land resources and mineral springs as well agricultural areas. The major industries are food production and processing as well as tourism. The region also houses the headquarters of the largest computer company in Poland: Optimus, and of the FAKRO Company that produces roof-windows. Traditional sector has been facing difficult times since the shift to market economy. As a result, the region is economically weak and has high unemployment rates: 14 percent.

The largest number of unemployed is found among young people: 70 percent of the unemployed are under age of 40. The area is characterized by the lowest average wage, and one of the lowest per capita incomes in Poland.

### ***Summary Description of the History of USAID and Other Donor Assistance to PSCZ***

Public Service City Zone in Nowy Sacz has been receiving aid since the mid-1996—the beginning of intensive works aimed at the establishment and implementation of the Zone. The aid has been provided mainly by the USAID within the framework of DGPA programs. Before the Zone was established, the future gmina members of the Zone were included in the EU PHARE programs and the British Know How Fund programs. They were also aided by the German district Unna.

## ***Role of Technical Assistance and Partnership Between USAID and the Nowy Sacz PSCZ***

The role of the partnership between USAID and PSCZ is to strengthen the municipality's capacity to be more effective, responsive and accountable. The following areas for assistance have been determined by USAID in collaboration with authorities of the PSCZ to be critical:

- ! Preparation of a strategic program for socio-economic development of the PSCZ.
- ! Training for Zone/gminas employees.
- ! Information dissemination/Public participation.

The proposition of technical assistance presented in this Action Plan is a continuation of the partnership between USAID and PSCZ. Without this cooperation the establishment of the Public Service City Zone in Nowy Sacz would be extremely difficult or even impossible. The aid and assistance have been comprehensive and continuous. It resulted from the USAID understanding of the crucial character of the undertaking, its supra-regional significance and its potential consequences and implications for the transformation of the territorial structure of the country. The partnership and the technical assistance provided by the USAID made it possible to create a new self-government structure—public service city zone—that may become a model for the activities aimed at the decentralization of the state administration system. The reasoning appears justified as it has been corroborated by the activities of self-government entities in various regions of the country that aimed at the establishment of similar zone structures. At present, the works over at least 50 projects of the type are well advanced. They will probably result in the establishment of new zones. Moreover, the USAID has played another role, probably as important as technical assistance. It functioned as the “friend of the family” and the “moral arbiter”, which was particularly important, as the Nowy Sacz region is characterized by strong pro-American sentiments.

## **TECHNICAL ASSISTANCE**

### ***Assistance Provided up to March 1997 in PSCZ by the USAID: DGPA and Pilot LGPP***

The direct USAID assistance for the Zone—then in the process of being established—began in April 1996. Through the mediation of the DAI and the



Research Center for Public Economy and Administration, Cracow Academy of Economics, the USAID supported in a comprehensive way the process of the Zone establishment in the domains of:

- Organizational activities.
- Expertise (preparation of the methodology of assessing the cost of the tasks to be taken over from the government administration by the local self-government).
- Training courses for the Zone employees.
- Working out the outline of information policy and its implementation.

The experiences gathered in the process of establishing the Zone are presented in the book-titled "Public Service City Zone. The Second Level of Local Government in Poland?"

Within the framework of the USAID assistance for the PSCZ, the Research Center for Public Economy and Administration, AEC in cooperation with the Foundation of Social and Economic Initiatives began to monitor the functioning of the PSCZ.

Within the framework of the assistance for the Zone in the process of its establishment, PIET (Partner in Education and Training) organized a month training course in the USA for several Zone employees.

Within the same framework, Harvard University in conjunction with experts from the School of Public Health at Jagiellonian University have been conducting works aimed to improve the health care delivery system.

Within the same assistance framework, W. Wagner—a Volunteer Advisor on behalf of the Citizen Democracy Corp.—prepared the document: "Recommendation Regarding an Economic Development Structure for the Nowy Sacz Region".

Mr. Wagner is also involved in works aimed at working out a methodology of Monitoring project.

The assistance also covered the establishment of cooperation foundations between the Urban Institute and the Zone, which was achieved during the missions of the Urban Institute advisors to the Zone. The first mission was aimed at presenting the Zone authorities with the goals and objectives of the LGPP and determining possible plans of cooperation. The second mission resulted in the preparation of the report: Assessment of Economic Development, Public

Information/Participation, And Training Opportunities; Nowy Sacz PSCZ. The last visit of the Urban Institute consultants was the identification of the PSCZ needs related to the Action Plan, than in the process of being prepared.

Moreover, the area of the Zone is covered by projects (Building Democracy in the Schools) undertaken by the Greenworks Association for the Active Protection of Animals in cooperation with Sadeckie Małopolskie Towarzystwo Oświatowe [Małopolska Educational Association in Nowy Sacz].

Moreover, there have been started negotiations concerning the possibility and the range of assistance to be provided by the Cooperative Housing Foundation.





## **Assistance to Be Provided from June 1997 - September 1997**

### **Economic Development**

The authorities of Public Service City Zone in Nowy Sacz have asked the USAID for assistance in the preparation of the strategic program for socio-economic development of the PSCZ. The authorities of the PSCZ consider the preparation of the strategy as the fundamental task to be faced by the Zone.

**# Workshop on Economic Development (4 days).** Before work is commenced on the strategic program for socio-economic development of the PSCZ, it is advisable to conduct a workshop in order to start building comprehensive strategy, agreed upon by all the important institutions and economic organizations of the Zone and the region. The workshop will be divided into two parts. Parts one, intended for the greater number of participants will be devoted to discussing the coordination of activities and information flow among the key local players. The goal of the second part of the workshop (attended by the narrower group) will be to define the role of the Zone in the field of economic development of the constituent gminas and the region. The goal of this part of the workshop will also be to appoint a task force charged with preparing the economic program of the Zone.

This workshop and the meeting of the task forces will precede the commencement of work on the strategic program for socio-economic development of the Zone. Participants in the workshop will include the Zone Assembly Chairman, Zone Executive, Board Chairman, Zone Director, members of the Zone Economic Development Commission, members of the Nowy Sacz Economic Development Department as well as representatives of the Voivodship Economic Development Department, Business Center, Chamber of Commerce, and other key local players in the field of economic development.

**# Meeting of the task force (1 day).** This meeting will be of a working nature. Its aim will be to prepare documents for discussion and approval by the management of the institutions that are to participate in the Economic Development Workshop. The meeting will above all concern the following:

- Identifying the priorities of economic development of the Zone.
- Determining the opportunities for cooperation in order to achieve these goals.
- Defining the ways in which local elites and local inhabitants can win public support for these goals.
- Setting a detailed schedule for further work on the program.

The participants of this meeting would include representatives of those institution, mentioned above, that are to be directly involved in preparing the program.



**# Meeting of all the participants of the Economic Development Workshop (1 day).** The aim of this meeting will be for task force to present the results of its work:

- A document containing a list of priorities as regards the economic development of the Zone and gminas constituting it.
- A document outlining possible forms of cooperation and the contribution of institutions involved in economic development.
- A document containing a list of suggested practical measures that should be taken in order to win key local players and Zone inhabitants over to the idea of preparing an economic development program.

A major goal will be to present a detailed schedule of measures that need to be taken in order to prepare the program. Approval of these documents, particularly of the last, would enable to direct work on preparing the program to begin by September 1997.

### **Training**

The Authorities of Public Service City Zone in Nowy Sacz have asked USAID for assistance in preparing training for employees who have been reassigned from the national government administration to work in self-government PSCZ and for gmina employees.

**# Preparing a training program for employees of the PSCZ in Nowy Sacz.** This training will be preceded by a detailed document defining the goals and scope of this training as well as the way it will be conducted and its schedule. The preparation of this document will enable training to get under way in September 1997. This work will be carried out using the proposal made in this area by the Cracow Academy Economy.

**# Training for trainers.** The aim of this training will be familiarize Polish trainers with the experiences and methods used in similar types of training in the USA. The main participants of this workshop will be those staff members of the Cracow Academy of Economics who will be training Zone employees. It is expected that the staff of other institutions that cooperate with the Cracow Academy of Economics.

### **Schedule of Events and Intervention**

## **Economic Development**

- ! Economic Development Workshop - September
- ! Meeting of the task force for the economic development program - September
- ! Meeting of all the participants of the Economic Development Workshop - September

## **Training**

- ! Preparing a training program for employees of the PSCZ - August
- ! Training for trainers - August

## ***Resources Required***

### **Economic Development**

# **Economic Development Workshop - September.** The workshop will be conducted by specialists from Cracow Academy of Economics and Urban Institute experts.

Length of time requested: 6 working days x 2 persons. Total 12 working days.

# **Meeting of the task force for the economic development program.** The working meeting will be conducted by specialists from Cracow Academy of Economics.

Length of time requested: 4 working days x 2 persons. Total 8 working days.

# **Meeting of all the participants of the Economic Development Workshop.** Length of time requested: 4 working days x 2 persons. Total 8 working days. The working meeting will be conducted by specialists from Cracow Academy of Economics.

Time line: June - September 1997. Total working days 28.

### **Training**

# **Preparing a training program for employees of the PSCZ in Nowy Sacz.** The program will be prepared by members Cracow Academy of Economics and



Urban Institute consultants. Length of time requested: 6 working days x 2 persons. Total 12 working days.

# **Training for trainers.** The workshop will be conducted by specialists from Urban Institute and experts from Cracow Academy of Economics. Length of time requested: 5 working days x 2 persons. Total 10 working days.

Time line: June - September 1997. Total working days 22.

### ***Contribution of the Public Service City Zone in Nowy Sacz to the LGPP Pilot Program***

Aware of the significance of the LGPP Pilot Program for PSCZ in Nowy Sacz, the Zone authorities have declared a readiness to contribute by: involving their staff in the content and organization of work connected with the present Action Plan, providing conference space for the working meetings of the task force, providing the task force with administrative support. Due to financial constraints the authorities of PSCZ in Nowy Sacz can not cover any cost resulting with realization of LGPP Program.

#### ***Deliverables***

# **Economic development.** Exchange information among the organizations and institutions with significant economic activities taking place in or impacting on the Zone gminas. Consensus on strategic program for socio-economic development of the Zone among the key local players. Action Plan for preparation a program for socio-economic development of the Zone.

# **Training to PSCZ/gmina employees.** Training program based on a new approach to the Zone as an organization with common shared vision and values. New attitude of the line employees of the Zone towards the client. Satisfactory ways of servicing the client. A group of gmina employees skilled in municipal financing for infrastructure.

#### ***Results of the Pilot LGPP Intervention***

# **Economic development.** Enhanced awareness that the economy of the sub-region in question constitutes, functionally, a whole whose efficient functioning and dynamics of development will depend on the cooperation of its various components, including the various agents (np. Zone Council, Zone Board, Voivodship Office and other key local players). Enhanced awareness that cooperation within the framework of the strategy makes it possible to achieve goals that are unreachable for the primary level units.

# **Training.** Enhanced awareness that management based on shared vision and values is the key to efficiency in the carrying out of tasks taken over by the Zone. Enhanced awareness that for the public services to meet the expectations of the Zone inhabitants it is necessary to adopt a new model of providing the services—a model founded on the principle of partnership between the Zone employees and the client. Conviction that it is necessary for the Zone employees to transform their mentality and to rise the level of their professional competence , if they are to provide the public services effectively.



## DISSEMINATION

The results to be achieved in the Nowy Sacz Zone within the framework of LGPP project may contribute to a precise determination of the functioning and efficacy of the instruments, techniques and mechanisms that may be implemented in other public service city zones that are being established all over the country. Another considerable advantage of the arrangements worked out in Nowy Sacz is their innovative and original character. The interest taken by the self-government milieus in the problematic related to the public service city zones corroborates the need for the realization of the project. The following results among these achieved in the Nowy Sacz region within the framework of the LGPP program will have the greatest practical significance for other zones:

### ! Models

- Of efficacious support of self-government activities provided by foreign aid institutions and Polish institutions providing counseling and training.
- Of preparing a program of socio-economic development for public service city zones.
- Of training for public service city zones employees.

### ! Instruments

- A guide presenting practical ways of dealing with difficult problems and overcoming the barriers the Zone faced in the process of realizing its tasks (such a guide could become the second part of the book *PSCZ in Nowy Sacz. The Second Level of Local Government in Poland* ?, which has become very popular in the self-government milieus).

## PERFORMANCE MEASURES

### ***Description of Monitoring Process Developed in Pilot Zone***

A monitoring system will be worked out for the Zone in the course of the project on "Monitoring the Public Service City Zone in Nowy Sacz undertaken by Research Centre for Public Economy and Administration and the Foundation of Economic and Social Initiatives.



# **ACTION PLAN FOR THE CITY OF OSTROW WIELKOPOLSKI**

## **APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

The Action Plan for Ostrów Wielkopolski determines follow-up advisory work under the Pilot Local Government Partnership Programme (Pilot LGPP). The time frame for these activities ends by the end of September 1997. This does not mark the end of collaboration between USAID and the municipality, however. The comprehensive Programme is scheduled to start this autumn, and advisory work may continue as agreed by the parties.

The Plan's focus is on the description of the advisory work and its deliverables' content rather than setting exact visit deadlines. Wherever possible, it is designed to fine-tune those issues so that all the parties to the programme, i.e., the city, experts and UI/USAID have a common understanding of them.

The plan may be modified in the course of implementation as new circumstances develop. The Pilot LGPP is anticipated to spur recommendations for the comprehensive Programme as to the trend for continuation of work.

### ***The Municipality***

# **Location.** The urban municipality of Ostrów Wielkopolski is located in the southern part of the Wielkopolska region, western Poland. The city is an important junction of road and railway transport routes. It is one of Wielkopolska's major industrial and cultural centers.

# **Population.** The city has ca. 75 thousand residents, of which 58 percent are in the 20-64 age group. The external migration balance is a negative 3 persons. The population in active employment numbers 41333 with 5541 unemployed, including 3438 females. The city's unemployment rate is 12.8 percent.

# **Area.** The city covers an area of 42 kilometers, of which 19 square kilometers is used for agriculture.

# **Economy.** The city thrives on industry: chiefly food processing, wood, construction, electric machine engineering. The latter has been the city's driving force in post-WW2 development. Under local government operation, in addition to a sizable growth of enterprise numbers, there has been a radical transformation in state-owned businesses, including publicly funded entities transforming into corporate entities. The output of Ostrów's industries is familiar to domestic and foreign markets, i.a. industrial process control components

manufactured in Industrial Process Control Works (joint stock company), railway cars manufactured by the Rolling Stock Repair Works (j.s.c.), coolers and radiators for automotive industry manufactured by Delphi Harrison Thermal Systems Ltd., industrial machines produced in the SPOMASZ Food Machinery Works (j.s.c.), food processing by the LECH Wielkopolskie Brewery (j.s.c.), high quality plywood manufactured by Sklejka EKO S.A. (j.s.c.), poultry products by Drop S.A., quality wines by "Ostrowin" Food Processing Ltd.

**# History.** The city's history dates back to middle ages (first 15th-century charter), however the brunt of its growth is of later date. In the 18th century it grew into the region's largest urban concentration out of a small farming settlement. From the 17th through the 19th century, the city witnessed the development of trade, crafts and industry towards the turn of the 19th century.

**# Infrastructure.** The city authorities' policy resulted in the establishment of a municipal equity group in the form of a municipal holding company. Set up in May, 1994, registered in July 1996, HOLDIKOM S.A. (j.s.c.) holds equity contributed in kind by the City which included the shares and interests of six utilities: the Ostrowski Zakład Ciepłowniczy OZC S.A. (district heating operators), Przedsiębiorstwo Wodociągów i Kanalizacji WODKAN S.A. (water and sewage system management), Zakład Oczyszczania i Gospodarki Odpadami "MZO" Sp. z o.o. (waste disposal), Miejski Zakład Komunikacji Sp. z o.o. (urban transport), Miejski Zakład Gospodarki Mieszkaniowej Sp. z o.o. (housing management), Targowiska Miejskie spółka z o.o. (market space management). The benefits reaped from the establishment of the equity group include increased borrowing capacity, improved management of generated profits, enhanced capital turnover and ground cleared for more effective management. The equity group creation set the scene for designs geared to enfranchise Ostrów Wielkopolski residents. Current investment projects and city development plans focus on environmental and health issues, road quality improvements, culture and leisure related issues.

The city has launched a road improvement and repair programme funded through a municipal bond issue. This fund-raising channel, quite new to the Polish market, has been selected as the most beneficial for implementation of such a paramount task. Ostrów's municipal bonds were the first municipal bonds to be publicly traded throughout the country.

Ostrów has spare land for sites of various investment projects. The price of heat is below the national average, the water quality fully complies with domestic standards. The telephone and banking telecommunication network is under expansion (18.7 subscribers per 100 residents). There are 121 kilometers of hard surface roads with 19,300 cars registered in the city.



The interest expressed and capital investments targeted by domestic and foreign business majors are proof of the city's considerable creditworthiness and attractive projects on offer.

### ***Advisory Assistance to Date***

Ostrów has not enjoyed a large number of assistance programs, yet. Finance technical assistance has primarily happened in collaboration with USAID. Primary it was performed under another USAID Program: Housing Finance and Municipal Advisory Program.

### ***Role of Advisory Assistance***

The cooperation agreement between USAID and Ostrów Wielkopolski is designed to enhance the city authorities' professionalism in order to improve effectiveness. One needs to stress that today, the city has professional management, hence assistance may be given at a level well above the basics. The agreement sets out the chief areas of operation:

- ! Finance, from a comprehensive financial analysis of the municipality through to assistance in the preparation of a model prospectus, plus advice in the issue process and city staff training.
- ! Assistance in task budget preparation.
- ! Preparation of a long-term investment plan.
- ! Land analysis and land management programme preparation as contribution in the process of preparation of the Study on Spatial Management Trends and Conditions.
- ! Housing analysis preparation, including municipal housing stock management system and the housing development programme.
- ! Housing initiative support through the local AWIM.

Originally, the agreement included assistance in health care management, however following initial analyses the issue was dropped for the benefit of assistance in some advice in the development strategy preparation process, plus the Study on Spatial Management Trends and Conditions.

The agreement was signed for a period which extends beyond Pilot LGPP implementation, hence some issues will be implemented in the comprehensive programme.



## CURRENT AND ANTICIPATED ADVISORY ASSISTANCE

### Scope

Until March 1997, within the framework of collaboration with USAID, advice work covered two areas:

- ! The USAID Investment Project Finance Programme has been the most important, which resulted in a financial analysis and information memorandum preparation in relation to the municipal bond issue for road repair works. They are the first publicly traded municipal bonds in the secondary capital market.
- ! Housing has been the other most preponderant area. With CHF's assistance the local AWIM (Housing Initiatives Support Agency) has been established. The Agency receives ongoing support in training and current management.

A team of experts paid a one-week visit last March. The team members held a number of meetings with the city's key players, from city hall staff to utilities and other organizations. Initial information was gathered in order to work on selected issues, which also allowed for a better determination of the scope of activities in Ostrów Wlkp. In result of a number of discussions, the general scope determined in the agreement was fine-tuned.

The first general conclusion was a suggestion that all the segment reports should be clearly included in the process of comprehensive document preparation, e.g., the Development Strategy and the Study on Spatial Management Trends and Conditions. However limited, expert assistance will also consist in advising on process planning. Generally, advisory assistance will focus on segment reports which will make up a larger whole.

### Financial Issues

A comprehensive municipal finance model along with a comprehensive municipality analysis will be developed in this respect, which will be the basis for the second municipal bond issue. City staff training will be an important aspect here, so that subsequent analyses and reports of this type might be undertaken by the city staff without external support.

The utility companies' financial model is the first element in the comprehensive exercise. Work on the model consists in analyzing the

management style and determining investment potential. The city attempts to implement the largest possible number of projects through its utility companies out of their revenues. The missing funds must be found in the city budget. Hence, corporate earnings are an important component in the comprehensive analysis of the city's finance.

The second element is a long-term investment plan which, on the one hand, will draw on the financial capacity indicated in the analysis and on the city's priorities on the other. As part of work on the plan, a plan development procedure will be prepared, as well as effectiveness ratios which allow for determination of investment priorities. The investment plan is the next important element required for a comprehensive city finance analysis. The comprehensive analysis will provide the groundwork for the decision as to the project finance format, most likely through bond issue, and the size of the issue.

The task budget is the last element. It will be developed for 1998 and will reflect earlier documents; it will provide a 'score sheet' for the city's annual intentions. Important parts of that work are performance measures.

In all the cases, work will proceed with intensive city staff involvement. Thus, they will acquire practical skills in the use of those tools. Additional training will be provided where necessary.

### **Land Management Program**

Another important exercise is the preparation of a Land Management Program. On the one hand, analysis in this area will constitute an important component of the Strategy and Study development (as a database) and will be the basis for developing activity trends, methods and tools, on the other. The major information analysis elements include roads, land, greenery, infrastructure, people, market trade, investment programme. Information gathering and analysis is anticipated to take a few months. Some of the major elements suggested for inclusion in this report are listed below:

- ! Spatial effectiveness evaluation through development of relevant ratios which might be used in spatial planning processes on a regular basis.
- ! Listing of instruments available for the Municipality in order to achieve some of the ratios.
- ! Local real estate market evaluation.



- ! Land value and ownership structure map.
- ! Suggestions for improvements in the property tax system.
- ! Search for land assembly instruments.
- ! Development of a manner for strategic land recycling.

- ! Search for ways of mitigating problems with interpretation of the land management plan.
- ! Search for ways of financing for infrastructure development upon division of new construction sites.

It needs to be stressed that given the fact that information gathering will take up a significant part of the time devoted, at this development stage, the Programme will not manage to incorporate all the aforementioned elements. On the other hand, the above elements do not exhaust the list of issues, but merely determine the Program's major interest focus, which is not tantamount with development of precise tools for each of those areas.

### **The Housing Program**

The Housing Program is the third important issue. Quite like in the Land Program, analysis of the situation will contribute importantly to the Strategy and the Study on the one hand, and will provide a basis for developing action trends and tools to implement them on the other. The program's important issues will include:

- ! Analysis of the municipality's existing housing property management system.
- ! Analysis of the Ostrów residents' housing needs (in general terms).
- ! Determination of barriers and limitations (in particular fiscal, financial and in resource management terms).
- ! Determination of ways to stimulate housing in individual market segments (i.e., capacity to invest).

The Program's philosophy will be housing market stimulation rather than 'needs gratification' with the idea that a sound market is capable of satisfying most of these needs. Work on the housing programme will be closely linked with the land exercise and with the utilities financial model in the case of housing stock management analysis.

### **Housing Initiatives Support**





The AWIM is an additional area of operation. Assistance will consist in provision of successive training events and ongoing advisory assistance in the Agency's daily work.

### ***Timing***

Timing is illustrated in the table annexed hereto. In the strategy and study development process, advice will be made available on a continuous basis throughout the Pilot LGPP. Likewise, work on the real estate programme will be continued throughout the pilot stage, which will incorporate the relevant tools for programme implementation. Work on the housing programme will proceed in a similar manner. Preparations for the comprehensive financial analysis will commence in April and will last through to late July.

Financial analysis must be very closely linked with a long-term investment plan. On the one hand, it must generate information on the city's financial capabilities, i.e., the type of investment project the city can afford (practically, this is already included in the initial city financial analysis which has been completed). On the other hand, the comprehensive analysis must incorporate the city investment plan. Hence, the comprehensive analysis may be undertaken following the investment programme development.

Work on the task budget will continue throughout the programme, chiefly via training events, later to be continued as monitoring of the work on a comprehensive 1988 budget preparation. This work will not be completed before late September and is recommended for continuation in the core LGPP. Advice to AWIM will be maintained on a permanent basis: assistance will be hinged upon the agency's current operation.

### ***Required Resources***

Since the Study and the Strategy set the advisory framework, assistance in Strategy and Study development planning will be solicited from all the experts who work on segment reports. It needs to be stressed that this is designed as secondary type of activity for them, as they will focus on segment reports.

- ! Participation of Chris Kaczmariski from RTI is required for a comprehensive financial analysis. Mr. T. Spofford from RTI is required to prepare the investment plan. The presence of Kathy Revels from RTI is needed to develop the utility financial analysis. Tony Levitas and experts from the Kraków branch of ARK will be sought to prepare the task budget.

- ! Assistance of the Real Estate and Mr. J. Brzeski and Ms. B Wierchowicka is required on the Land Program preparation.
- ! Implementation of tasks related to the Housing Programme necessitates participation of Mr. Mark Brown from PADCO along with Polish consultants in collaboration with Maris Mikelsons as well as experts from Cooperation Fund.
- ! AWIM support will require continued advice from the Cooperative Housing Foundation (CHF).

On the city's side it is necessary to appoint relevant teams to work on the above issues and ensure information access.

### ***Deliverables***

The deliverables in the financial area will include a comprehensive municipal finance model with a utility financial model, long term investment plan, comprehensive municipal financial analysis and the task budget. The most important fact is that these models, which frequently stand alone, will create one comprehensive municipal finance model.

The deliverable in the land and housing portion will be the Land Management Program and the Housing Program, respectively, with the semi-deliverables created in the course of work, e.g., the land assembly map.

The deliverable in the housing construction promotion will be a mode of conduct from a support agency establishment through to housing environment stimulation.

Other than these deliverables, case studies will be prepared along with work papers in individual stages of advisory work.

### ***Results***

The financial component will result in a developed funding channel for municipal investments and its implementation will commence. In addition, a transparent system will further enhance the city's effectiveness in city finance management.

Land management work will result in a clear land policy being undertaken by the city, including an opportunity to recirculate land in the city center and stimulate the land market, an extremely difficult attempt.



Housing work will result in a clear municipal housing policy, which will spur decisions as to the forms of support for and stimulation of housing construction. Housing stock management work may result in a stimulated private property managers market. Property and housing work should facilitate work on the Strategy and the Study. All the above reports will serve as a model for other municipalities, hence the need to prepare them in a clear format which will indicate the process step by step.



### Advisory Work: Summary

Issue	Goal	Detailed tasks	Responsible person (USAID)	Responsible person (municipality)	Deliverables	Timing								
						IV	V	VI	VII	VIII	IX			
1.	2.	3.	4.	5.	6.									
Financial issues	Financial model for a utility company • company management evaluation • corporate investment capacity evaluation	(a) detailed analysis of utilities (b) financial model development (c) model's presentation + training for utility companies' staff	Kathy Revels, RTI	Managers of utility companies	• utility company's financial model • case study		a —	b —	— c					
	Long term investment plan • long term investment plan development with investment prioritizing procedure	(a) task force appointment (b) training in plan development (c) ongoing assistance in plan development	Tom Spofford, RTI	Henryk Walczak, Development Dept.	• Long term Ostrów investment plan • procedure for development of a L/T investment plan • case study	a —	b —	c —						
	Comprehensive city financial analysis • city financial standing assessment • determination of optimum investment funding format • assistance in municipal bond issue preparation (if this proves to be the optimum format)	(a) data collection for analysis (b) analysis preparation (c) presentation and training in analysis utilization	Chris Kaczmarek, RTI	City Treasurer	• comprehensive city finance analysis • case study			a — b —	c —					



Issue	Goal	Detailed tasks	Responsible person		Deliverables	Timing								
			4.	5.		IV	V	VI	VII	VIII	IX			
1.	2.	3.	4.	5.	6.									
Financial issues (continued)	1998 task budget. • preparation of annual budget as consistent with investment plan • preparation of city all staff to implement task budget	(a) task force appointment and training (b) assistance in budgeting for 1998	Tony Levitas, RTI	City Treasurer	• 1998 task budget • task force budgeting procedure • case study	a	—	b	—	—	—	—	—	—
	Land management program	(a) task force appointment (b) collection and analysis of information (c) workshop meeting to determine trends, methods and tools (d) devpt. of programme implementation plan	Kraków Real Estate Institute: J. Brzeski, B. Wercho-wiecka	Henryk Walczak, Devpt. Dept., Land Survey Dept.	• Land Management Program • segment work papers • case study	a	—	—	—	—	c	—	d	—
Housing Program	• programme preparation as component (contribution) of the Strategy and Study • development of guidelines for ongoing and L/T housing management	(a) task force appointment (b) information gathering and analysis (c) MZGK analysis and recommendations so as to achieve financial sustainability (d) workshop meeting to determine trends, methods and tools (e) action plan preparation	M. Brown, PADCO M. Mikelsons, UI	Henryk Walczak, Devpt. Dept.	• Housing Program • work papers • housing stock management model • case study	a	—	—	—	—	c	—	—	—
AWIM	• assistance in appointment and mgt. of housing initiatives support system	(a) training for AWIM (b) assistance in ongoing operation	CHF	AWIM	• case study	a	+	b	—	—	—	—	—	—

## DISSEMINATION

Ostrów Wielkopolski enjoys high esteem among the local government community. This will have a bearing on the dissemination of results.

This will be made possible through publications on the tools developed in the real estate, housing, investment programs and by holding specialist seminars. The city has experience in organization of such seminars, and local government activists are willing to visit Ostrów. Dissemination of tools among consulting companies and individual consultants is a separate issue. Seminars seem to be the appropriate channel for this target group, too, which might additionally result in the development of an industrial catalogue for consultants on one given area.

Ostrów Wielkopolski experience will be the subject of a dissemination programme for the Pilot LGPP, including articles in *Wspólnota*.

## EFFECTIVENESS EVALUATION (MONITORING PROCESS)

Given such a short period of the program's operation, it is difficult to talk about an evaluation of the program's effectiveness, in particular in terms of statistical indicators. Most effectiveness evaluations will have to be anchored in indicators 'softer' than figures.

Other than just the preparation of materials, their implementation will be the measure of success of the activities in Ostrów. The real estate and housing programme will be successful in terms of development of a comprehensive database as well as of tools to implement them. The effectiveness may be measured by land market stimulation, including land recirculation and housing construction stimulation. Likewise, the investment programme may be said to be successful if the city hall staff is prepared and such plan is developed for Ostrów. The task budget will be successful once prepared for 1998, with the ensuing implementation. AWIM will be successful if it provides effective support for a housing initiative which will bring about a housing development process.



## **ACTION PLAN FOR THE CITY OF SANDOMIERZ APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

The action plan determines the scope and timing of advisory assistance for the Pilot Local Government Partnership Programme (LGPP) financed by USAID. The activities' time frame closes at the end of September 1997. This does not mark the end of cooperation of the municipality and USAID, however. The comprehensive Programme will take effect this autumn and advisory work may be continued as agreed by the parties.

The Plan's focus is on the description of the advisory work and its deliverables' content rather than setting exact visit deadlines. Wherever possible, it is designed to fine-tune those issues so that all the parties to the programme, i.e., the city, experts and UI/USAID have a common understanding of them.

If both parties are in agreement, the plan may be modified as new circumstances develop during program implementation.

The Pilot LGPP is anticipated to spur recommendations for the comprehensive Programme as to the trend for continuation of work.

### ***The Municipality***

Sandomierz is located on the Vistula River, at the meeting point of three geographical regions: the Sandomierz Highland, Lublin Highland and Sandomierz Valley. It is an average-sized town with 27 thousand residents (over 14,000 female and nearly 13,000 male) on an area of 28.8 square kilometers, in the Tarnobrzeg Province.

The local economy relies primarily on glass manufacturing (Pilkington Sandoglass) and food processing. The town also has a river port. Sandomierz is an important tourist destination, an aspect of growing preponderance recently, and is renowned for its traditional agricultural and food exchange market. The exchange is a business hub for the majority of local farmers and horticultural operators. An institution of higher learning has been established in Sandomierz: The School of Humanities and Natural Science.

The labor market has the following characteristics: 8975 in active employment (including 4600 males and 4375 females), 1916 unemployed workforce (incl. 828 males, 1088 females), 16231 in employment age groups, 7501 in pre-employment age, and 3050 in post-employment age.





Internal migration balances at 51, with a negative 13 in external migration.

Traditionally, Sandomierz has been a favorite tourist destination. Some of its landmarks include a historical architecture of the market square, and the neighboring Pepper Mountains, said to be among the world's oldest.

### ***USAID and Other Assistance Organizations' Aid to Date***

Sandomierz has not benefited from many assistance programs, as yet. Practically, this type of cooperation has started for the municipality with the Local Government Partnership Programme. Last July, the USAID prepared a report from a mission designed to determine the possibilities and scope of advisory work for the municipality. A land management analysis was undertaken which resulted in the industry report.

The Center for Promotion of Agricultural Entrepreneurship established within the framework of a programme financed by USAID is another example of advisory assistance, however implemented beyond municipal structures.

### ***Goal***

The goal of advisory assistance, as determined in an agreement between USAID and Sandomierz is:

- Economic development
- Public participation

The agreement assumes that within the scope of economic development, work will be targeted at preparation of an economic development strategy, with focus on regional functions. The work is designed to draw on the land management report prepared by Mr. D. Dowall and Ms. B. Sakowska-Knapp. The development strategy is thought to be an important contribution in the preparation of a Study on Spatial Management Trends and Conditions.

Under public participation, there are plans to develop a Public Communication Programme.

The overall goal of the agreement, and advisory assistance by implication, is to strengthen local government by enhancing professional management in various areas of local government's operation. The agreement's time frame extends beyond the pilot LGPP implementation period, hence within its

framework, it will merely be possible to prepare some element's of the programme.



Therefore, the pilot program will focus on selected aspects of economic development:

- ! **Land management.** Enhancing local economic development through leveraging city-owned land assets.
- ! **Tourism.** Tourism market scan for Sandomierz and the region.

## CURRENT AND PROJECTED ADVISORY ASSISTANCE

### Scope

Until last April, Sandomierz hosted a number of advisory missions primarily geared to determine guidelines for undertaking detailed advisory work. The first mission of July 1996 set out the possible advice areas in land management issues. The December and March missions defined possibilities for working in economic development and public participation areas. The visits had a strong impact on the selection of work areas under agreement and determination of detailed activities included in this action plan. Below are listed narrative descriptions of the individual tasks.

The basic advisory assistance area for Sandomierz is *economic development*.

Within this area the program will focus on the following issues.

### Land Management

Enhancing local economic development through leveraging city-owned land assets. Land management is closely linked with economic development.

Although publicly owned land is a major asset for many Polish cities and towns, municipalities have only recently begun to recognize its potential value. Prompted by the interest of foreign developers, authorities in larger cities have begun to use their real estate assets to stimulate economic development. However, smaller and medium-sized towns have not yet developed the means to capitalize on land assets to enhance local and regional economic growth.

The city of Sandomierz has applied to USAID for assistance in implementing a project to formulate principles of leveraging the value of city-owned land assets to stimulate the city's economic development.

The Final Report (July 1996) was disseminated to city authorities and residents. The City Executive Board and the City Council approved the continuation of the scope of work and work plan contained in the original report. "The Scope of Cooperation", an amendment to the Partnership Memorandum that was signed by the City of Sandomierz and USAID, contains both the scope of work and the work plan. Thus, it can be expected that remaining components of this plan will be implemented under the USAID-Sandomierz cooperation program.

Nevertheless, the project responds to current priority needs of the city in respect to using municipal assets as a stimulus to the economic development of the city. The land management project focuses on issues of city owned property.

The goal of the project is to continue to develop a report, based on the example of Sandomierz, which shows the principles and possibilities of enhancing economic development of Polish cities and towns through leveraging the value of city-owned land and real estate assets.

The strategy will take into account the following assumptions:

- ! It will be based on the practices and example of Sandomierz.
- ! It will incorporate American experiences and utilize information contained in American literature on the subject.
- ! It will take into account suggestions contained in the materials from the USAID conference held in January 1997, focusing on the modules: Land Management and Development Strategies and Economic Development Strategies.
- ! It will refer to similar studies conducted under the Pilot LGPP Program in Poland.
- ! It will focus on the particular characteristics of medium-sized cities, which form the majority of Polish cities and towns.

The strategy will also continue to establish contacts and conduct negotiations with investors.

In regards to the current law requiring Polish cities and towns to prepare an analysis of development opportunities and threats to their cities\* spatial development, local market preferences will be taken into account. Therefore, the preferences of the local community will be incorporated into the future plan. It



will also show us the potential inconsistencies between the city's strategic plans and the current activities of investors.

The identification of land designated for privatization and planning decisions are presently made on an "ad hoc" basis. Hence, the development of a long term policy, consist with the city's strategic goals, would serve the process of stimulating the town's economic development.

An essential element of the strategy, which will be completed independently of the above-mentioned work, is the preparation of investment proposals.

### **Tourism Market Study and Program Guidelines**

Sandomierz, a city with big historical and tourist advantages, has always been considered a tourist destination. Tourism development is commonly perceived as one of the drivers of growth. On the other hand, however, upon analysis of the tourism business in the city, it appears that its tourism earnings are meager, and school excursions are the most frequent visitors. There appears to be an absence of a tourism market analysis which would endorse or deny that view. An important element in this respect is serious commitment to building a hotel facility in Sandomierz. An actual analysis, and a tourism programme in the longer run will be an important argument in favor of such a development project.

Hence, the following element in advisory work will be focused on tourism market research for the city and the region, plus preparation of tourism programme guidelines. An important element here will be the opening onto the region and, given the existing capacity, involvement of individuals from other municipalities in the project work, since a combined effort (and elements of the tourist appeal) is capable of magnifying the region's tourist appeal.

Work will start by identification of interest groups and tourism environment analysis including the landmarks, infrastructure, potential customers, etc. An element component of this work will be task force organization; the task force would meet in a series of workshops in order to work jointly on the region's tourist aspects, and to develop tourism programme guidelines together. The task force will play an important role in research verification and dissemination of work.

### ***Timing***

The timing has been detailed in the table annexed hereto.

The work will be conducted in two stages between July and September 30<sup>th</sup> (1997):

**! Stage 1**

- Prepare an up-dated version on the current status of municipal property.
- Draw conclusions from changes which have occurred over the past 11 months (following the July 1996 Report).
- An analysis, evaluation, conclusions, and recommendations for the local authorities based on the management of property in Sandomierz from 1990.

**! Stage 2. Developing a City-owned Land Management Strategy.**

Work on the tourist study will begin in July by gathering information and will be completed in September by preparing a written paper. Details are in the attached table.

***Required Resources***

Polish and foreign experts' participation is required for implementation of the above tasks. Their joint effort is expected to result in improved effectiveness of advisory assistance at large. One has to add that joint work complies with the program's philosophy, under which US experts' experience is to be transferred to Polish experts.

The implementation of land management activities requires a specialist in urban planning who will work with experts in various fields including: legal and ownership aspects of real estate management, property valuation, and infrastructure. City authorities will define city priorities. Work was coordinated between the managers and employees in various departments of city hall: Land Management Department, Urban Planning Department, City Development and Promotion Department. Principles of cooperation were developed while the parties were working together on the July 1996 Report.

Land management requires the presence of Barbara Knapp-Sakowska, who took part in the preparation of the first report on the city's land management together with D. Dowell (July 1996). In this area, intensive participation of the Land Management Department is required.



Implementation of tourism activities will be accomplished through DemNet, another USAID programme. The Mikołajki Local Initiatives Association will work on tourism in Sandomierz. They will proceed within the framework of stage three of the DemNet Programme aiming at dissemination of the knowledge developed in the course of work in the local area.

On the city's side, it is necessary to have participation of a competent task-oriented individual, bearing in mind that the program's philosophy is not to do the work for the municipality; it is partnership assistance in development and implementation of specific tasks. In the case of actions related to tourism development, there will be a need for participation of the Development and Promotion Department and tourism activists.

## ***Deliverables***

The main deliverable resulting from advisory services on land management will be a report containing:

- ! Updated information on city-owned property (area, prices, and infrastructure).
  - Description and evaluation of the privatization process.
  - Evaluation, conclusions and recommendations concerning the strategy:
    - Tabular presentation, in the form of a matrix, and graphs illustrating ownership changes in the status of the city-owned land since July 1996.
    - Analysis and evaluation of completed property transactions on the city's economic development.
    - Consequences of delayed actions on the most strategic land for the city.
    - Methods of avoiding or diminishing the negative consequences of some processes.
- ! Developing a Land Management Strategy
  - This activity will be coordinated with the City's Development Strategy.
  - Presentation of practical applications using basic methodological tools:
    - Triggering and steering market development mechanisms.
    - Management of city-owned land and communal property with a focus on the city's strategic goals.
  - This phase of the project will enable the city to apply and test the efficiency of the tools recommended in the `Strategy of Land Management and Uses` module. In addition, tools which may be developed in Sandomierz would be useful in other towns with similar characteristics; cities with low density settlements and where links with adjacent rural areas are particularly strong.





- ! Methods for promoting the city's land assets and model proposals for investors.
  - Promoting real estate in conjunction with the city and region.
  - Explanation of recommended technical and organizational solutions for medium size cities like Sandomierz.
  - Preparation of model information for investors. (Time constraints allow for only an outline of complex activities and model activities the city will be able to continue and up-date in the future).
  - Review and evaluation of different technical and organizational methods for city promotion and proposals for investors.
  - Preparation of 2-3 model proposals for investors.
  - Report format: text with tables, maps, diagrams, and model proposals.

The tourism market study is a deliverable which will define tourism resources: landmarks and infrastructure. In addition, it will define expectations and opportunities in the buyer's market. Experience gained in this activity will be used in the formation of a tourist guide for local governments.

The products mentioned above will be complemented with working materials and a case study.

### ***Results of Pilot LGPP Interventions***

Results in the area of land management include: advising the City Board on ways to encourage economic development through land management, a decision by investors to build a hotel in the city, and improving the boards ability to conduct professional talks with developers.

Results in the area of tourism include: Sandomierz market study, which will direct discussions on tourism development in the region, and closer regional ties developed through cooperation on these issues.



### Advisory Assistance: Summary

Advisory assistance topic		Goal	Detailed tasks	Responsible person (USAID)	Responsible person (municipality)	Deliverables	Timing				
1.	2.	3.	4.	5.	6.	IV	V	VI	VII	VIII	IX
Economic development	Land management <ul style="list-style-type: none"><li>• activating local economic development through the use of Municipal real Estate.</li></ul>	(a) information analysis - the current state of property, evaluations, results, recommendations regarding how to talk and deal with investors. (b) developing a Land Management Strategy	Barbara Sakowska - Knapp	Land Mgt + Devpt. & Promotion Depts.	• Report (Land Management Strategy) • working material					a	
	Tourism market study <ul style="list-style-type: none"><li>• tourist service market research for city + region.</li></ul>	(a) determination of interest groups, (region), tourism environment analysis (landmarks, infrastructure, potential customers, etc.) (b) opportunity analysis for city + region (c) organizing task groups and leading a series of workshops to work on the study (to broaden and verify relevant information) (d) prep. of formal document which assesses local tourism market (tourism study) and guidelines for the program	Paul Hoover + Mikolajki Local Initiatives Association (as part of DemNet)	Devpt. + Promotion Dept.	• tourism market study • guidelines for the tourism program • case studies				a b c		d



## DISSEMINATION OF RESULTS

The major way of disseminating the advisory work results will be in the form of prepared case studies and the tools - approaches to conduct. *Wspólnota* (Community), the local government weekly, will provide an important forum for dissemination, where information on the progress of advisory work and its results (in longer term) will be published. Publication of materials which describe the actions, e.g., the developer handling procedure, will be an important element in dissemination.

Dissemination should also be directed to consultants and consulting companies since they should be the ones to take over the experiences and use them in their work in the municipalities. This could be done by way of seminars organized for professionals. Seminars for representatives of pilot towns and consulting companies will be an important dissemination tool. Some topics, e.g., public participation, might be disseminated in the video tape format.

A conference to summarize the pilot programme will be the dissemination's kingpin. It will provide ground for presentation of all the results, with most of them in the form of developed materials.

## EFFECTIVENESS EVALUATION (MONITORING PROCESS)

Given such a short period of the program's operation, it is difficult to talk about an evaluation of the program's effectiveness, in particular in terms of statistical indicators.

Evaluations on the projects' effectiveness will have to be anchored in indicators 'softer' than figures.

Effectiveness in tourism may be achieved if the group appointed following the research will continue work so as to develop a tourism programme.

A measure of effectiveness in land management issues will come from getting a hotel construction contract to be signed.

The overall effectiveness measure will come from a good view of the programme among the counselors, city hall staff, residents and the media.

# **ACTION PLAN FOR THE CITY OF SZCZECIN**

## **APRIL - SEPTEMBER 1997**

### **1. GOALS AND SCOPE OF THE PLAN**

#### **1.1 *Aim of Preparing the Plan***

The purpose of preparing this plan is the drawing up of an initial document, which is indispensable for the coordination of further advisory tasks devised within the framework of Pilot LGPP program for the city of Szczecin. Currently various advisory tasks are carried out in Szczecin—the purpose of the plan is to determine their further course, as well as to determine new tasks in the defined time horizon of the plan.

#### **1.2 *Time Horizon of the Plan***

The plan is of short term nature, covers the period from April to September 1997. It inventories advisory tasks performed at present and indicates their further directions. It also defines new tasks and their scope. It has been assumed that all advisory tasks covered by the plan should be completed until the end of September 1997. During its execution, the plan should be updated on the run.

### **2. BASIC INFORMATION**

#### **2.1 *Short Characteristics of the City of Szczecin*<sup>1</sup>**

Szczecin is a voivodship city situated on Pobrzeże Szczecińskie (sea-coast belt) on the Odra river ca. 65 kilometers from the Baltic Sea. In 1995 the population of Szczecin was 418.2 thousand. Szczecin is a major transport routes junction. Near the city are railway and road border crossings with Germany (motorway to Berlin), airport in Goleniów (ca. 30 kilometers from Szczecin). The city has two principal functions: being a port and industrial center.

The port in Szczecin, together with the port in Świnoujście form the port complex Szczecin-Świnoujście, which in terms of the quantity of cargo is the second largest in Poland. In 1995 ca. 14 million tons of goods passed the port in Szczecin. Most of that was coal and bulk goods. Szczecin is the most important transit port in Poland for the Czech Republic, Slovakia and Germany reached by navigable Odra.

---

<sup>1</sup> Description based on brochure "Szczecin w liczbach" [Szczecin in figures], Statistical Office in Szczecin, May 1996. and "Nowa encyklopedia powszechna PWN", PWN, Warszawa 1996, vol. 6.



In Szczecin the most important branch of industry is the shipbuilding industry (Szczecin Shipyard, besides that repair yards, river shipyard, yacht yard). Apart from that the city has a developed food industry, electromechanical industry, chemical industry, clothing industry, iron and steel industry ("Szczecin" Steel Mill), power industry ("Pomorzany" power station), paper industry and building materials industry. Szczecin is the place of business of many institutions associated with naval economy, forwarding, handling of transit. Polska òegluga Bałtycka (Polish Baltic Trade), European and ferry lines, Polish Ocean Lines have their offices here, and Szczecin is the residence of Polska òegluga Morska (Polish Maritime Shipping).

In 1995 Szczecin had 37,840 registered economic subjects (517 in the public sector, 37,323 in the private sector). In the private sector most companies are individual firms (34,208); important are the partnerships with the participation of foreign capital (827). In 1995 the unemployment rate in the city was at the level of 6.8 percent—on 31 December 1995 there were 12,375 registered unemployed (including 8,064 women). The unemployment rate in the last few years was as follows: 1994 - 7.7 percent, 1993 - 7.4 percent, 1992 - 7.4 percent.

Szczecin is the largest cultural and scientific center of the Western Pomerania. It is the seat of the Szczecin Technical University, Pomeranian Medical Academy, Agricultural Academy, Higher Nautical School, branch of the Musical Academy in Poznań and the University of Szczecin (since 1985).

## **2.2 General Outline of Advisory Assistance Provided So Far**

Since the beginning of the 90's the city of Szczecin is the beneficiary of advisory assistance, one of the main sources of financing being USAID funds. The more important, already completed undertakings, include: (i) SMART program - aid to and development of the enterprise incubator in Szczecin - the so called Szczecin Center for Enterprise (within the framework of ACDI/VOCA) - at present the incubator benefits from the funds offered by the World Bank (TOR-10 Program), (ii) the so called democratic network program (DEMNET), (iii) training for trainers Foundation for Supporting Local Development in Szczecin (USAID/Rutgers LGTP, 1993 - 1995), (iv) advisory assistance for the meat processing company AGRYF in Szczecin - abatement of production waste volume (within the framework of LEM program) and (v) establishment of Agency for Supporting Housing Initiatives - called AWIM (advisory assistance from the Cooperative Housing Foundation - CHF). Now Szczecin is one of the cities participating in the USAID program under the name of Pilot LGPP.

Other initiatives currently brought into life in Szczecin and co-financed from the assistance funds:<sup>2</sup> (i) carried out by projects for establishing enterprise incubators in ĘwinoujŃcie and Nowogard implemented by the Szczecin Talent-Promotion-Progress Foundation (co-financed by the Phare Fund and the World Bank - TOR-10 Program), (ii) project for forming in Szczecin an enterprise incubator under the name of Incubator of New Undertakings implemented by the West Pomeranian Association for Economic Development (co-financed by the World Bank - TOR-10 Program), (iii) the West Pomeranian Regional Development Agency also operates in Szczecin - their fundamental goals is to aid local development and enterprise (co-financed by the Phare Fund).<sup>3</sup>

### **2.3 Scope and Importance of the Pilot LGPP Program**

At the beginning of 1997 the municipal authorities of the city of Szczecin signed an agreement on cooperation with USAID in the field of advisory assistance within the framework of Pilot LGPP program. The schedule no. 2 to the agreement formulates a rough scope of cooperation—operations that have started earlier are described, directions of their further course are indicated, new areas of assistance are determined. In most general terms, the advisory assistance offered to the city of Szczecin covers the following two areas (domains) of issues:<sup>4</sup>

- ! The first domain (*housing and infrastructure*) — designating the strategy and housing policy, managing the housing resources (including the so called rehabilitation of city blocks), development of the municipal infrastructure (including the cooperation between the city and the harbor, organization of traffic in the city and municipal land management).
- ! The second domain (*finance and management*) — financial planning, planning of investment processes, assessment of financial capacity of the city budget.

---

<sup>2</sup> Based on report by Ministry of Industry and Trade and PFPiRMSP "Institutions supporting development of MSP in Poland with participation of foreign aid", Warszawa, September 1996.

<sup>3</sup> See Agencies and Foundations for Regional Development in Poland, KSAiFRR, Warszawa, September 1994.

<sup>4</sup> The issue areas were formulated by the author on the basis of analysis of Annex no.2 to the cooperation agreement. Titles given to individual issue areas are provisional.



One should stress, that the areas of cooperation mentioned above were formulated as a result of a joint arrangement between USAID and the municipal authorities. The municipal authorities expect high effectiveness of the advisory assistance, emphasizing its importance for continuous improvement of the functions of the city of Szczecin.

### **3. ADVISORY ASSISTANCE — ACTION SCHEDULE**

This section presents short term advisory action schedule for the city of Szczecin within the framework of the Pilot LGPP program. It demonstrates the operations already completed, currently carried out, as well as planned (to be accomplish until the end of September 1997). The entire plan is presented in a table form (see Table 1) and descriptive form; the table is preceded by a short description of individual tasks presented below.

As pointed out in item 2.3, all the advisory tasks performed in Szczecin may be assigned to two areas of issues, which are: (i) housing and infrastructure and (ii) finance and management. The advisory tasks described below and included in table may be assigned to fixed areas of issues, that is: tasks denoted 3.1 to 3.6 and 3.9, belong to the housing domain (in the table, 1 - 6 and 9, respectively) land management and infrastructure, and tasks 3.7 to 3.8 pertain to finance and management (in the table, 7 - 8, respectively).

The most important partner, representing the city of Szczecin, for the teams of advisors and their coordinators is Mr. Janusz Szewczuk (Member of the City Board)—in practice his functions include the coordination of all the advisory tasks. It must be pointed out, however, that at least some problems regarding the area of housing, land management and infrastructure, are of interest to Mr. Piotr Mync (Vice-president of the city of Szczecin). As a rule, the names of both these persons are not given in the table, where only the names of persons representing the city responsible for the execution of particular, individual tasks.

*Note: The description below lists estimates of time necessary for the execution of particular tasks. These are rough estimates which may be subject to substantial changes.*

#### **3.1 Advisory Assistance in the Field of Formulating Policy and Strategy of Housing**

**# Advancement of actions and adopted goals.** This task was undertaken in 1996. Its goal was defined as the preparation of the housing policy and strategy. These actions resulted in the formulation of the housing policy and strategy for Szczecin, accepted for implementation in the form of a City Council resolution in

December 1996. During the first months of 1997 the city officers led by Ms. Piskorska prepared for the Municipality executive documents for the implementation of the resolution (work completed by the end of March 1997)—these constitute the basis for the fulfillment of the adopted policy / strategy. In view of that the task may be deemed fulfilled. At present the City does not request further advisory services in this area.

**# Outputs produced so far.** Adoption by The City Council of the resolution on the housing policy and strategy. Preparation of executive documents for the implementation of the resolution.

Work on the task above was carried out on the basis of *RFS 40 / item 1*.<sup>5</sup> The chief provider of advisory services was the firm PADCO. Task was coordinated by foreign advisor Ms. M. Sickles.

### **3.2 Advisory Assistance in the Field of TBS Formation and Preparing Operation Plans**

**# Advancement of actions and adopted goals.** The task was initiated in 1996. It is still being pursued. The fundamental goals of the task were defined as the bringing about of TBS formation and its start-up. This would include developing a set of documents enabling efficient functioning of the new organization (TBS business plan, feasibility analyses of three investment projects and preparation of a credit application to the National Housing Fund - KFM).

#### **# Tasks to accomplish:**

- *TBS business plan (in progress)* - anticipated time of completion: till the end of April 1997, this document will most probably form an important attachment to the credit application to KFM.
- *Feasibility studies of investment projects* - anticipated time of completion: advisory tasks should be carried out within the next 2 - 3 months (planned date of completion July / August this year.).
- *Consultancy within the framework of preparing the credit application to KFM*—anticipated time of completion: some operations have already been undertaken; the drawing up of the final version of the application will be possible when feasibility analysis of investment

---

<sup>5</sup> RFS - Request for Services.





projects will be available, (this work may be carried out concurrently), advisory tasks should be carried out within the next 2 - 3 months (planned date of completion July / August this year).

**# Outputs produced so far.** The formation of TBS has been achieved (in the form of a limited liability company). Formally the TBS began business at the beginning of 1997. At present it employs ca. 30 persons responsible for managing the housing resources taken over and for elaboration of planned investment projects.

**# Outputs planned.** Preparation of TBS business plan, after that preparation of feasibility studies of planned investment projects and preparation of the application to KFM for credit to finance the projects.

**# Planned engagement time for advisors.** About 20 - 30 working days.

Described advisory task is carried out on the basis of *RFS 40 / item 2*. Basically all operations are carried out by the employees of the city office and TBS with the participation of the advisors. The chief provider of advisory services is the firm PADCO. Until now the task coordinator was Ms. M. Sickles, now her functions on behalf of PADCO are taken over by Mr. M. Brown.

### **3.3 ABK's Analysis and Development of Tools to Increase Management Effectiveness**

**# Advancement of actions and adopted goals.** This is an advisory task in progress. Two general goals for advisory tasks have been defined: (i) development of a strategy to increase management effectiveness and (ii) development of tools ensuring effective revenues from rentals (from the managed housing resources). The first of these goals includes in its scope also the development of practicable restructuring directions and transformations of the legal formula of ABK, the other calls for carrying out training for the management staff.

#### **# Tasks to accomplish:**

- Preparation and presentation of the report showing practicable ABK's performance indicators and directions of restructuring and transformations. Anticipated time of execution April - May this year.
- Preparation and presentation of the report on effective tools to improve rental collection. Execution: April - May this year.

- *Training for the management staff.* In January this year training has been provided in Szczecin on the management of estate - first part (organizers - Polish Federation of Real Estate Agents and the Institute of Real Estate Management, contact data in Warsaw: phone 826-10-81 ext. 278, fax: 826-67-96). The opinion of the city representatives is that the training needs to be continued (this applies to subsequent training units denoted as 400 - real estate management and financing and 590 - problem solving in real estate management). The result of the training is the granting of a real estate administrator's certificate. The necessity of continuing the training appears to be obvious. The scope of anticipated assistance anticipated in connection with the organization of further training sessions in Szczecin requires clarifying.

**# Outputs produced so far.** A training on effective ways of rental collection has been provided (lecturer - Mr. M. Majchrzak).

**# Outputs planned.** Awaited is a report describing effective ways of collecting rentals and a report portraying directions of ABK's formal and legal transformations. The organization of training requires clarifying (in the case of training provided in Szczecin a group of people would obtain real estate administrator's certificates, what would be considered an apparent utterance of creating a body of specialists in the city).

**# Planned engagement time for the advisors.** About 10 - 15 working days.

Described advisory task is carried out on the basis of *RFS 40 / item 3*. Persons engaged: Ms. Armstrong (foreign advisor), Mr. M. Majchrzak, A. Gałczyńska, T. Delawski, coordinating company - PADCO, Mr. M. Brown.

### **3.4 Advisory assistance for the Historical Buildings Renovation Team and for the Advisor on Public / Private Partnerships**

**# Advancement of actions and adopted goals.** This is an advisory task in progress. The goals of the task are: (i) presentation of a rehabilitation format of city blocks, (ii) successful transfer of experience and (iii) practical implementation of the rehabilitation format.

**# Tasks to accomplish:**

- Organization and realization of a conference presenting the rehabilitation format of two city blocks in the center of Szczecin



(blocks nos. 21 and 22). Dissemination of experience. At present intensive preparation work is under way. The date eventual of the conference has been definitively fixed (22 - 24 May this year). Realization: April - May this year.

- Transfer of acquired experience to interested specialists. For that purpose intensive trainings should be prepared and performed for small advisory groups. Realization: within the time horizon of this plan (e.g., June and following months) - details to be determined.
- Implementation of the rehabilitation format of city blocks. Implementation may be carried out through various routes. One of them is based on the so called. public-private partnerships (e.g., in the form of joint ventures or CDCs). In such case the task should be extended and should describe the effects of the undertaking (case study). Realization: from May to the end of the time horizon of this plan.

**# Outputs produced so far.** The rehabilitation format of city blocks is far advanced; it will be presented during the planned conference. The conference preparations are under way.

**# Outputs planned.** The conference is treated as an element of experience dissemination process among other cities.<sup>6</sup> This will be realized by means of participation in conference of invited representatives of cities and circles and preparation and publication of conference materials (and their dissemination). Another result will be the implementation of the rehabilitation format on the basis of public / private partnerships (if favorable circumstances arise). There are also plans to implement rehabilitation with the help of TBS existing in Szczecin. Transfer of acquired experience to a local group of advisors (as a result of the series of trainings for small groups of local specialists).<sup>7</sup>

**# Planned engagement time of advisors.** About 20 - 30 working days.

---

<sup>6</sup> Both the cities participating in Pilot LGPP, as well as other, with which cooperation is planned (e.g., within the framework of LGPP program being prepared).

<sup>7</sup> The Szczecin is already in contact with a local advisory firm, which is interested in gaining knowledge on city blocks rehabilitation and public/private. A representative of that firm participates in the organization of the conference.

The described advisory task is carried out on the basis of *RFS 40 / item 4* and *RFS 50* (in the part pertaining to the preparation of the conference in Szczecin). Work carried out jointly by the employees of the Historical Buildings Renovation Team (Mr. Z. Becker and others) and foreign advisors (Mr. J. Driscoll, Mr. D. Jones and Ms. M. Sarageldin, representing Harvard Unit for Housing and Urbanization). General coordination - PADCO, Mr. M. Brown.

### **3.5 CDC Concept Adaptation and Dissemination (Community Development Corporation) under Polish Conditions**

# **Goal of advisory tasks.** This is a new task, while some of its elements are within the framework of task described in item 3.4. In view of that mutual coordination should be provided, the more so that advising should be made by foreign advisors operating within the framework of task 3.4. Basic goals of the task would consist in creative adaptation of the CDC concept to Polish conditions, including also the establishing of a model organization similar to CDC. The next step should be the dissemination of positive experience.

# **Tasks.** In the nearest future scope of practicable advisory services should be defined. Work should be performed by HUH team—Mr. J. Driscoll and others, in cooperation with selected representatives of the city (Mr. Z. Becker).

# **Planned engagement time of advisors.** To be determined. Advisory assistance may be offered within the framework of the entire time horizon of this plan, in practice work may be started in May - June this year.

### **3.6 Assessment of Housing Effective Demand and Identification of Key Indicators for Monitoring of the Housing Sector**

# **Advancement of actions and adopted goals.** During the preparation of the housing policy a number of needs has been revealed in the field of information about the state of the housing market and preferences of apartment buyers. These needs became an incentive to start the task. At present it is in progress. Basic goals were formulated as: (i) assessment of effective housing demand and (ii) development of a set of indicators to monitor situation on the local housing market.

#### **# Tasks to accomplish:**

- Analysis of results obtained from statistical data. This is carried out by Habitat company (Mr. J. Fiszer of Habitat coordinates the work),



which presented first version of analysis results at the end of March this year. In March and April the city office made comments. After their transfer the final version of the analysis report will be awaited (to be completed till mid May this year). The opinion of the city office is that after issuing the final analysis report, Habitat should make its presentation in Szczecin (e.g., in the second half of May this year).

- In parallel with the preparation of the final version of statistical analysis, work should be performed to determine a set of indicators to monitor the housing sector (report). This work is performed by advisor Ms. R. Armstrong (assumed time of execution till mid May this year).

**# Outputs produced so far.** In the first months of 1997 statistical studies were concluded (contractor: Sopocka Pracownia Badania Opinii Społecznej Opinii Społecznej [SPBOS - public opinion polling]) - a "raw" set of data was obtained. At the end of March this year Habitat presented a draft version of statistical studies analysis.

**# Outputs planned.** Preparation and presentation of final version of the report on statistical data analysis taking into account the comments made and preparation of the report on housing sector monitoring indicators.

**# Planned engagement time of advisors. About 10 working days.** The scope, to be determined with Habitat, depends on nature and scope of comments made (to be arranged with Mr. M. Brown representing PADCO).

The described advisory task is carried out on the basis of *RFS 40 / item 5* Operations are carried out by SPBOS (completed), Habitat and foreign advisor Ms. R. Armstrong. Coordination by PADCO (Mr. M. Brown).

### **3.7 Advisory Assistance in the Field of Preparing Capital Investment Plan**

**# Advancement of actions and adopted goals.** At present the task is in progress. Goal of the task is defined as methods and set of planning procedures and forms necessary to prepare and update long term plan on capital investments undertaken by the city. Work is advanced - determined ways of formulating planning criteria and specific procedural solutions, which in succession are subject to consultations. Work is adjusted according to the results of these consultations (as in the case of forms specimens).

**# Tasks to accomplish:**

- Continuation of work aimed at arranging successive parts of the planning tool. The outcome should be a complete tool for long term planning of investments.
- Dissemination of experience. Preparation of trainings on long term investment planning - procedures and planning tools. It is planned, that training will be conducted by FSLD (Foundation in Support of Local Democracy) staff (trainers).

# **Outputs produced so far.** Successive adopted parts of the planning tool.

# **Outputs planned.** Preparation of a planning tool, seen as a set of universal procedures and forms to be used by appropriate city office staff. Documentation in the form of training materials, also to be used in practical planning. Realization during the whole period of this plan.

# **Planned engagement time of advisors.** About 20 - 30 working days.

Basically all operations are coordinated and carried out by advisors of the RTI company (coordinator and advisor representing RTI - Mr. T. Spofford).

### **3.8 *Advisory Assistance in the Field of Implementation of the City Budget Financial Analysis Model***

# **Advancement of actions and adopted goals.** This is an advisory task in progress. Its fundamental purpose is the provision of a useful tool for monitoring the financial capacity of the city budget.

# **Tasks to accomplish:**

- Preparation and transfer of up-graded software for the analysis of financial capacity of the city budget (version featuring tools of visual presentation, e.g., charts, graphic lists etc.). New version should be ready by mid May this year.
- Intensive training for finance staff of the city office on practical principles of using the developed analytical tools. Realization after transfer of upgraded software (e.g., within May - June this year).

# **Outputs produced so far.** Initial version of the analytical software has been presented. Financial capacity analysis was carried out with the help of an advisor. Its results were compared with similar analysis made independently by



financial staff of the city office. Minor discrepancies were observed, mainly regarding long term forecasting.

# **Outputs planned.** Next version of software is awaited. The financial staff should be equipped with an efficient tool for the assessment of financial capacity of the budget. The forecasting function of the tool is of greatest importance.

# **Planned engagement time of advisors.** About 10 working days.

The described advisory task is carried out by RTI company (coordinator Mr. Ch. Kaczmarek).

### **3.9 *Advisory Assistance in the Field of Recognition of Fundamental Determinants for the City Development in Future (Cooperation Between the City and the Port, City Traffic Organization, Land Management Strategy)***

# **Goal of advisory tasks.** This is a new task. It was included in the agreement with USAID. Its purpose would be the determination of fundamental determinants of development for Szczecin. The need for this advice is obvious, while tasks formulated in this manner seem too broad to be included in the scope of this plan.

# **Tasks.** In view of the above, it is suggested not to take upon these advisory tasks, at least until September this year, that is within the framework of this plan. Definition of particular tasks, their results and anticipated range of foreign assistance may be decided in the framework of different advisory program.



Table 1

Technical Assistance	Goals	Subtasks	Responsible Party		Deliverables	1997						
			Contractor	Gmina		Apr	May	June	July	Aug	Sept	
1/ Completion of assistance with housing policy / strategy [ RFS 40 / item 1 ]	• City housing policy / strategy preparation	–	M. Sickles / PADCO	Ms. Piskorska	Housing policy / strategy + operational documents (prepared end-March by A. Piskorska)	Completed by the end-March 97						
	• TBS formation	• TA in TBS formation	Ms. Sickles / Mr. Szpak / PADCO	Ms. Szotkowska / TBS Ms. Piskorska	• TBS formed (legal structure)	TBS formed (active from 01.01.97)						
	• TBS fully operational	• TBS business plan			• TBS business plan (elaboration)	x	x					
		• Projects* feasibility analysis			• Feasibility studies (elaboration - 3 projects)	x	x	x	x	x		
3/ ABKs analysis and development of strategies to increase management effectiveness. [ RFS 40 / item 3 ]		• TA in preparation of credit application to NHF			• On-the-job assistance and ready application (elaboration)		x	x	x	x		
	• Develop strategy to increase management effectiveness		Mr. Majchrzak Mr. Gaozka Mr. Delawski Ms. Armstrong	Ms. Szotkowska	• Report on ABKs* performance indicators, restructuring directions etc.	x	x					
	• Develop strategies to improve rental revenues		WSE & others PADCO		• Report on effective ways of rental collection improve	x	x					
					• Training for ABKs management staff		x					





Table 1 (Continued)

Technical Assistance	Goals	Subtasks	Responsible Party		Deliverables	1997					
			Contractor	Gmina		Apr	May	June	July	Aug	Sept
4/ TA to Szczecin Renovation Team and the City Advisor on Public / Private Partnerships [ RFS 40 / item 4 ] [ RFS 50 ]	• To present successful city center rehabilitation format	• Workshop on project rehabilitation of blocks no. 21 and 22 in Szczecin	Ms. Sarageldin Mr. Driscoll Mr. Jones / HUH	Mr. Becker	<ul style="list-style-type: none"> <li>• Workshop paper and case study</li> <li>• Workshop (conference) organization and realization (22-24.05.97)</li> <li>• Conference report</li> </ul>	x x	x x	x x	x x		
	• Successfully transfer experience	• Build local capacity to transfer gathered experience			<ul style="list-style-type: none"> <li>• Training preparation</li> <li>• Training realization</li> </ul>			x x	x x		
		• Dissemination							x -		
	• Rehabilitation based on public / private partnerships	• TA on new organizational forms (joint-ventures, CDCs)			<ul style="list-style-type: none"> <li>• Sample formats</li> </ul>		x x	x x	x x	x x	x x



Table 1 (Continued)

			Responsible Party			1997						
Technical Assistance	Goals	Subtasks	Contractor	Gmina	Deliverables	Apr	May	June	July	Aug	Sept	
6/ Assessment of housing effective demand and identification of key indicators for housing sector monitoring [ RFS 40 / item 5 ]	• Assess effective housing demand to supplement housing policy	• Survey on income, expenditures for housing and housing preferences	PBOS (Sopot)	Ms. Piskorska	• Raw data collected						Survey completed (raw data collected basing on a survey*s questionnaire)	
		• Survey outcomes analysis	Mr. Fiszer HABITAT		• Draft analysis report • Final analysis report	x	x					
		• Presentation			• Presentation		x					
	• Develop set of indicators to monitor local housing sector	• Review existing data • Determine key indicators useful for housing monitoring	Ms. Armstrong		• Report on useful and effective indicators	x	x					
7/ TA on Capital Investment Plan	• Improve capital investment planning	• Legal basis for long term planning	Mr. Spofford / RTI	Ms. Gimpel Mr. Bartnik	• City resolution draft	Completed, to be adopted by the city council						
		• Criteria and procedures design (internal applications)			• Formats	x	x	x	x			
		• Training	through FSLD unit		• Training and materials (manual)				x	x	x	x



Table 1 (Continued)

Technical Assistance	Goals	Subtasks	Responsible Party		Deliverables	1997					
						Apr	May	June	July	Aug	Sept
8/ TA on Gmina Financial Analysis Model	• Analyze gmina financial capacity	• Software tools preparation	Mr. Spofford Mr. Deska /	Mr. Czekaj	• Software						
			RTI		• Software up-graded	x	x				
		• Training - finance staff			• Training - finance staff		x	x			
9/ Recognition of fundamental determinants for the city development (cooperation between the city and the port, city traffic organization, land management strategy)	Setting up cooperation links between the city and the port, new city traffic organization as well as the municipal land management strategy - these three elements are extremely broad and important. They can not be started and effectively completed within the present pilot program time horizon. Should be rather started as long term projects.		To be determined	To be determined	• To be determined						

completed, software passed, gmina financial standing analysis prepared

May be started (possibly) after the horizon of the present advisory pilot program.

#### 4. RESULTS OF ADVISORY WORKS

Undertaken up to now as well as planned for the future advisory activities within the Pilot LGPP should show results in numerous dimensions of local community and local authorities functioning. The basic results for the city of Szczecin that should come into effect because of the advisory works delivered so far and planned are:<sup>8</sup>

**! In the sphere of housing and infrastructure:**

- Rise in efficiency of utilization of various municipal resources causing improvement of local situation in the sphere of housing; acquisition of expertise in the field of preparation local housing strategy and infrastructure utilization programs - results of advisory task (3.1) (1).
- Facilitation of access to external financing sources for local housing development - result of advisory task (3.2) (2).
- Acquisition of knowledge in the field of preparation of feasibility studies to plan and correctly assess various construction ventures in the scope of housing development - result of advisory task (3.2) (2).
- Rise of quality and effectiveness in management of municipal housing substance; determination of possible restructuring and ownership changes directions in the field of housing - results of advisory task (3.2) (2) and (3.3) (3).
- Education of high quality managing personnel corps (housing and real estate management) - result of advisory task (3.3) (3).
- selected city blocks functions restructuring through engagement of both municipal and private capital; acquisition of a good restructuring

---

<sup>8</sup> The results are described separately for the two basic technical assistance spheres that is (i) housing and infrastructure and (ii) finance and management (according to the assumed at the beginning general division of advisory works in Szczecin). Depicted are also results effecting from advisory works realized in both spheres (so-called common results). Each of the mentioned results possess the description of the advisory task by which realization should be caused. The advisory tasks are numbered according to the scheme used in the descriptive part of the plan and in the summary table 1 - for example (3.1.) - number in the descriptive part (1) - number in Table 1.



format for the future to continue so-called rehabilitation of the city center - result of advisory task (3.4) (4).

- Gain of knowledge in the field of ways and possibilities of creating public / private partnerships and citizens organizations (e.g., CDCs) set up and run to provide higher local community living standards; collection of experience how to engage citizens (local community) for realization of various local tasks - result of advisory task (3.5) (5).
- Acquisition of information required for correct formulation and reformulation of city housing strategy and infrastructure utilization programs - result of advisory task (3.6) (6).

**! In the field of finance and management:**

- Rise in quality and efficiency of municipal investment planning process in relation to real financial capabilities of the city budget - result of advisory task (3.7) (7).
- More efficient prioritization of investment tasks; better monitoring performance of the investments in realization - result of advisory task (3.7) (7).
- Better quality and process of preparation budgetary financial projections; acquisition of high capabilities of fast realization of various financial simulations regarding “behavior” of municipal finances according to assumed parameters - better and easier to access forecasts - result of advisory task (3.8) (8).
- Better access to information, city financial condition improvement and more efficient budget realization process and long term investment planning (all advisory tasks in this sphere).

**! In both spheres (common results):**

- Exchange of concrete experiences and knowledge thankfully to long lasting cooperation with external (international) consultants - creation and development of local consultancy force.
- City promotion (as a municipal center in Poland possessing practical knowledge and experience in the field of efficient managing local

resources, solving housing and infrastructure utilization problems, municipal investments planning and financial management).

Probably the described above list of advisory works\* results is not complete. Nevertheless, as it seems, it is long enough, that full appearance of at least majority of the results would allow the overall advisory program for Szczecin to be called as very effective and worthwhile promoting.

## **5. COOPERATION WITH THE CITY**

Discussed within the present plan advisory works program assumes close cooperation of external consultants with the beneficiary city authorities. In case of the city of Szczecin it should be underlined that up to now such cooperation have really existed and most probably will occur in the future.

Current positive results of the program have occurred mostly due to creation of the city of Szczecin authorities good conditions and atmosphere to practically realize agreed advisory tasks. The contribution of the city concerns very important element, namely delegating concrete City Hall's personnel to assist and cooperate with consultants. At the first look this element may seem not important, however in practice it is a decisive factor influencing results of all advisory efforts sponsored "externally". A good example serves the fact of creation within the structure of the Szczecin City Hall so-called Historical Buildings Renovation Team and the post of the City Advisor on Public / Private Partnerships both closely cooperating with a group of international consultants. The Team and the Advisor have been supplied with office and logistic infrastructure (e.g., the Team is responsible for organization of a conference presenting results of undertaken so far advisory tasks). In case of Szczecin such example is not something unusual.

On its side the authorities of the city of Szczecin have undertaken measures to facilitate correct coordination of advisory works, mostly through working efforts of Mr. Janusz Szewczuk the Member of the City Board. It is obvious that in case of complex advisory works the coordination and supervision element possess crucial practical meaning. Other important members of the city authorities are also often interested in advisory tasks realization course, what facilitates exchange of current information and helps solving day-to-day problems.

The present plan set forth realization of a new advisory task which results should be presented during a working conference. This regards advisory task



titled “CDC concept adaptation and dissemination under Polish conditions” - see advisory task (3.5) (5). In case of this task the city should take over all organizational and logistic responsibilities to prepare and later on sum up the conference. The substance of the conference will be in gesture of international consultants (cooperating with representatives of the city).<sup>9</sup> At the moment details regarding organization of the conference are left for further settlement.

---

<sup>9</sup> For example with the Historical Buildings Renovation Team and the City Advisor on Public / Private Partnerships.

## 6. DISSEMINATION OF EXPERIENCE

Outputs of advisory tasks performed within the framework of the Pilot LGPP program should undergo dissemination. This includes the transfer of both developed tools and knowledge, i.e., experience gathered during preparation and implementation of those tools. Methods of dissemination of results may be diverse. In practice, those used most often are:

- ! Organization of conferences, seminars and workshops in order to present the developed tools and acquired experience to specific participants.
- ! Preparation of conference and seminar reports (distribution of reports).
- ! Organization of trainings for interested (identified beforehand) groups of people.
- ! Publication of a news letter - news bulletin (distribution).
- ! Publication of training materials (distribution).
- ! Formation and providing access to databases of advisory tasks performed and their results.
- ! Organization of advisory tasks, in such manner, so that they are carried out jointly by foreign and domestic advisors; this way domestic advisors may gain additional knowledge (this also applies to foreign advisors); in consequence, they should be able to provide advisory services on their own.

The list of actions presented above is not closed. It may be supplemented with additional tools for the promotion of advisory tasks results. While one must not underestimate the importance of tools of knowledge dissemination, perhaps the crucial issue would be to consider which specific products (outputs) of advisory tasks carried out in Szczecin should be disseminated. These products are listed in the table below.



**Table 2**

Designation - advisory task according to description & Table 1	Product / Dissemination
(3.1) (1)	Strategy of housing policy - exists as a document; is supplemented with executive documents. In this form may function as a model for other municipalities.
(3.2) (2)	TBS, goals, tasks, formation and activities - of large importance will be the business plan prepared for TBS in Szczecin. This could be used as a pattern for preparing similar documents; similarly - analysis formats for investment projects in the field of housing industry.
(3.3) (3)	<p>ABK, effective management, collection of dues - subject to dissemination:</p> <ul style="list-style-type: none"> <li>• Report (or its elements) presenting a set of performance indicators and practicable directions of restructuring (transformations)</li> <li>• Report on ways of effective rentals collection</li> <li>• Training - for ABK management staff in other cities (with the use of a/m reports)</li> </ul>
(3.4) (4)	Rehabilitation of city blocks, including that carried out on the basis of public / private partnerships - dissemination of experience is already under way (conference in May, conference report and its distribution). During the conference the work will be presented together with a case study. These documents may constitute training material for planned trainings for local specialists. In case the developed concept of rehabilitation is implemented by way of public / private partnerships, the process should be described. The case study could be distributed. It may also become good training material.
(3.5) (5)	Adaptation of the CDC concept under Polish conditions - as a result performing this task a document (report) will be formed presenting practicable forms of creating CDCs in Poland, perhaps a specific practical example will emerge. These achievements may be presented during a conference (distribution of the conference report). Organization of trainings may also be envisaged.
(3.6) (6)	Assessment of effective housing demand, identification of key indicators to monitor the housing sector - the effect of this task most fit for dissemination will be the report presenting a set of indicators to monitor. The task also includes presentation of results of statistical analysis for city office staff (and other interested parties).

- 
- (3.7) (7) Long term investment plan - the result of performing this task will be development of a planning tool (set of procedures, forms, methods of determining priorities etc.). Knowledge on its use should be transferred in the form of a series of trainings. Training materials may be disseminated also among persons not participating in the training (ready to acquire knowledge without participation in formal training).
- (3.8) (8) Model for financial analysis of the budget - result of the task will be a computer program enabling forecasting of budget performance under given parameters. The computer program may be made available to other cities. Its provision should be made simultaneous with training (in the use of the program).
- (3.9) (9) To be determined.
-



## CONTACT LIST

### City Office in Szczecin

Janusz Szewczuk  
Member of Municipality  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 22 39 27  
fax: (091) 23 08 06  
e-mail:  
jszewcz@aixik.um.szczecin.pl

Mirosław Czekaj  
City Treasurer  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 22 06 29  
fax: (091) 23 06 85

Grażyna Szotkowska  
Deputy Manager, Building and  
Municipal Quarters Dept.  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 23 05 40  
fax: (091) 23 35 08

Zbigniew Becker  
Historical Buildings Renovation  
Team  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 24 54 55  
tel./fax: (091) 22 51 80

Piotr Mync  
Vice President of the City of  
Szczecin  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 22 53 02  
fax: (091) 23 08 06

Aleksandra Piskorska  
Town Planning Studio in Szczecin -  
Housing Policy Team  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 24 57 36  
fax: (091) 22 47 71

Emilia Małgorzata Gimpel  
Office of City Development  
Coordination - Manager  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 55 36 39, 24 58 19  
fax: (091) 22 11 29

Stanisław Walkowicz  
Manager of City Development Team  
in the Town Planning Studio  
City Office  
Pl. Armii Krajowej 1, 70-456  
Szczecin  
tel.: (091) 24 57 37  
tel./fax: (091) 22 47 71

### Other contact addresses

RTI -Research Triangle Institute  
Thomas D. Spofford  
Finance advisor  
Al. Ujazdowkie 19, floor VI  
00-557 Warszawa  
tel.: (22) 628 28 90, 628 78 40  
fax: (22) 622 54 95  
e-mail: tomspof@ikp.atm.com.pl  
mailing address:  
ul. Towarowa 28, 00-958 Warszawa

Harvard University,  
Graduate School of Design,  
Unit for Housing and Urbanization  
John Driscoll  
(Senior Research Associate)  
tel: (0 01) (617) 495 4964  
fax: (001) (617) 495 9347

PADCO - Planning and  
Development Collaborative  
International  
Mark. Brown  
ul. Towarowa 28  
00-958 Warszawa  
tel.: (22) 620-83-00  
fax: (22) 624-31-59  
e-mail: mrbrown@tarnet.pl

CHF - Cooperative Housing  
Foundation  
- Wojciech W. Wojtysiak  
- W. Sławek Getka  
ul. Dunajeczka 5  
02-369 Warszawa  
tel.: (22) 22-26-56, 22-41-64, 22-55-  
55  
fax: (22) 23-13-03  
e-mail: chf@ikp.atm.com.pl

## **ACTION PLAN FOR THE CITY OF ZIEBICE APRIL - SEPTEMBER 1997**

### **INTRODUCTION**

This action plan relates to consulting and training support provided to Zi"bice under the Pilot Local Government Partnership Program (hereafter referred to as the Pilot LGPP) funded by U.S. Agency for International Development (USAID). The action plan does not go beyond September 1997 due to the fact that most probably the support to the gminas participating in the Program will be taken over since October by a new consortium of consulting firms which will have won the USAID bid.

### **DESCRIPTION OF THE TOWN**

Zi"bice is a gmina situated in the south-west part of Poland about 70 kilometers away from Wrocław to the south. The Gmina of Zi"bice consists of the town and 28 villages and has about 20 000 inhabitants 10 200 of whom live in the town and 9 800 in the countryside. The gmina is agricultural and industrial. The main enterprises in Zi"bice area are a sugar factory, food processing factory and "Urz"dowski" Company, a fast developing windows manufacturer. Zi"bice is also interesting from a tourist point of view; there are many interesting historic places in the gmina with, first of all, the Cistercian abbey in Henryków and St. George's Church, the remnants of a former crusaders\* monastic complex and the Raczkowska Gate in Zi"bice itself.

### **DESCRIPTION OF THE ACTIVITIES IN THE CITY SPONSORED BY VARIOUS ORGANIZATIONS**

Zi"bice has a relatively long tradition of cooperation with USAID. In 1992 Zi"bice entered the Local Environmental Management Project, which provided consulting support in regard to environment related issues to five selected cities and gminas from Poland. In Zi"bice LEM Project has consulted in issues related to designing and opening a new waste water treatment plant and has also ensured proper training for interested people and institutions. As a result of the consulting support the final shape of the waste water treatment plant will guarantee its more effective and economic operation. The waste water treatment plant was opened on 29 November 1996. Its construction was also possible due to numerous subsidies and loans that the gmina managed to obtain from such institutions as both the National and Provincial Environmental Protection and Water Economy Funds, Voivod of Wa"brzych , the Ministry of Labour and Social Policy.

In October 1996, Zi"bice also signed an agreement with the Cooperation Fund on its co-financing the preparation of documentation for the construction of a landfill and a municipal cemetery.

Moreover, since Zi"bice is situated in Wa"brzych Province, it is covered by STRUDER and RAPID support programs of the European Union carried out by the Polish Agency for Regional Development (Polska Agencja Rozwoju Regionalnego) through the Agency for Regional Development (Agencja Rozwoju Regionalnego) in Wa"brzych. The following projects are co-financed under these programs:

- ! Preparation of the documentation for the construction of the landfill.
- ! Preparation of the documentation for the construction of the Water Treatment Plant in Zi"bice.
- ! Construction of a parking lot at a Cistercian tourist trail in Henryków.
- ! Replacement of a gas grid at Wa"owa Street in Zi"bice under the project of replacing solid fuel with gas.

The support funds have also been used to finance a study related to the policy of supporting small and medium business in the gmina.

The Cooperative Housing Foundation has been operating in Zi"bice since the fall of 1996. The CHF has signed an agreement on cooperation with Zi"bice and the AWIM (Agency for Support of Housing Initiatives) has been established.

## **COOPERATION WITH ZI' BICE UNDER LGPP**

### ***Areas of Cooperation***

Zi"bice was included in the Program on signing the Memorandum by the Town and Gmina authorities of Zi"bice and the USAID on 4 February 1997. The Agreement specified the following areas of cooperation:

- ! The use of the Gmina Financial Analysis Model (GFAM) in defining a Gmina ability to contract debts in relation to its medium-term investment program.



- ! Preparation of a development strategy for the communal housing sector.
- ! Developing and implementing master plans for the regional water economy management and waste management.

### ***Support to Zi"bice Under the Program So Far***

First meetings of the consultants working under the Program with the authorities of Zi"bice took place in the second half of March. They resulted in preparation of preliminary action plans and a preliminary analysis of an existing Zi"bice housing situation in case of housing management. Moreover, the RTI consultants prepared the analysis of a town budget the results of which were reported at a meeting with the town authorities on 21 April 1997. Moreover, on 22 April expected scopes of work of individual consultants were discussed, especially in the context of the GFAM results.

### ***Preliminary Action Plan Under the Program***

The activities in Zi"bice under the Program will concentrate on three basic areas.

#### **Financial Analysis of the Budget**

The preliminary analysis of Zi"bice town and gmina budget as well as resulting conclusions and projections for the future has been, as it was mentioned before, prepared already and presented to the Mayor of Zi"bice and selected Zi"bice Town and Gmina officials. Expected further steps to be taken:

- ! Presentation of the analysis results to the Town and Gmina Council.
- ! Training of selected officials and interested councilors.
- ! verification of assumptions adopted during the preliminary analysis on the basis on other consultants\* work.

#### **Environmental Protection and Water Economy**

The following activities are expected to be completed within this area by the end of September:

- ! Preparation of the set of guidelines for the development of a master plan concerning environmental protection.

All available materials related to environmental protection in Zi"bice are planned to be analyzed and key problems related to this area as well as priority actions are planned to be discussed with the authorities of Zi"bice; the guidelines together with the master plan structure (especially in the area of water economy and waste management) are planned to be prepared and presented next to the authorities of Zi"bice followed by the discussing of their comments.

- ! Preparation and presentation of a workshop related to master planning concerning environmental protection and solid waste management.

The scope of the workshop will be discussed with the Gmina authorities during its preparation phase and then its agenda will be prepared.

- ! Preparing and giving a presentation to the Town and Gmina Council on master planning related to environmental protection and solid waste management as well as on activities concerning environmental public education and information.

After carrying out both workshops a report describing them and resulting conclusions will be prepared.

## **Housing Management**

Activities related to housing management will concentrate on four areas that will regard:

- ! Identification of basic problems connected with the development of a housing policy. A preliminary report on housing situation will be the basis for discussion. Under this task basic problems connected with the housing management in Zi"bice will be specified and key partners will be identified.
- ! Preparation of a set of activities concerning the revitalization of the Old Town of Zi"bice. Experiences gained under a similar project performed in Bielsko-Bia" will be used in the preparation of these activities. A Managing Team (or Task Force) is expected to be established to coordinate the revitalization program. Moreover, a study trip will be





organized to Bielsko-Biała in order to learn about the experiences concerning the revitalization of the Old Town there.

- ! Presentation to the Town and Gmina Council of the objectives and recommendations related to a strategy regarding the implementation of the Old Town revitalization program.
- ! Preparation of a comprehensive document describing the principles of the housing policy. A document describing proposed actions concerning the housing policy in a comprehensive way will be prepared following the activities as described above and taking into account the comments of the Councilors. This document should be approved eventually by the Town and Gmina Council.

## DELIVERABLES

It is expected that within the activity of the Pilot LGPP in Zi"bice the following documents/presentations will be prepared:

- ! Report showing the analysis of the town and gmina budget and resulting conclusions.
- ! Presentations of the analysis results to the Town and Gmina Council.
- ! Training for selected Councilors and officials concerning the methodology of developing and using GFAM.
- ! Updated report showing the analysis of the town and gmina budget and resulting conclusions after taking into account the results of other contractors\* (PADCO and LEM) work.
- ! Report showing the existing Zi"bice housing situation.
- ! Preliminary report showing recommendations related to the housing strategy and policy for Zi"bice.
- ! preliminary version of the Old Town of Zi"bice revitalization strategy.
- ! Presentation of the housing strategy directions as well as the Old Town revitalization project to the Town and Gmina Council.
- ! Preliminary version of the housing strategy for Zi"bice.
- ! Set of the guidelines for master planning regarding environmental protection together with an outline of such a plan.
- ! Workshops for the Gmina officials and the Town and Gmina Council (respectively) related to the method of master planning concerning environmental protection and in particular regarding solid waste management.
- ! Report describing these workshops and resulting conclusions.



## **RESULTS OF THE PILOT LGPP ACTIVITIES IN ZI' BICE**

The following should be listed as the most important results of the Pilot LGPP activity in Zi"bice:

- ! Carrying out a thorough analysis of the town and gmina budget and drawing from it preliminary conclusions regarding a gmina investment plan for next 10 years.
- ! Ability to use the GFAM to plan budget revenues and expenses and update the gmina investment plan on ongoing basis.
- ! Acquainting the Town and Gmina officials with the achievements of other cities and towns (of Bielsko-Bia"a, in particular) in developing comprehensive housing strategies and activities aimed at the revitalization of the areas of old downtown buildings.
- ! Preparation of the preliminary version of the housing strategy for Ziebice taking into account the Old Town revitalization project.
- ! Leaving trained and competent staff in Ziebice as far as master planning related to environmental protection is concerned and public information and training in the problems connected with environmental protection.

## **DISSEMINATION OF RESULTS**

The following results of the Pilot LGPP activities in Zi"bice can be useful for other cities and towns:

- ! Methodology of developing a housing strategy for a town with a big share of the communal housing sector.
- ! Guidelines concerning the principles of master planning related to environmental protection together with an outline of such a plan.
- ! Conclusions from the workshops on master planning related to environmental protection as well as public information and training in the issues related to environmental protection.





## **TOWN AND GMINA PARTICIPATION**

One of the key principles of the Pilot LGPP is the participation of the Gmina in its implementation and providing by the Gmina resources necessary for a proper implementation of the Program.

Due to a relatively late start and not a big progress in the activities under the Pilot LGPP in Ziebice it is difficult to determine in detail the scope of Gmina engagement. Yet, on the basis of experiences so far it can be said for sure that both the Town and Gmina authorities and officials will:

- ! Provide all information and explanations indispensable to the proper work of consultants.
- ! Help in the organization of relevant workshops and meetings as well as provide rooms, drinks and snacks.
- ! Cooperate with the consultants on current activities.

## **DETAILED ACTION PLAN**

The following table presents a detailed action plan under the Pilot LGPP in Zi"bice from April to September 1997.



Subject	Goal	Responsible Contractor	Deliverable	Estimated LoE	April	May	June	July	August	September
Gmina Financial Analysis Model	Apply Gmina Financial Analysis Model	RTI	Financial Analysis Report	already contracted	x					
	Presentation and discussion with the Gmina Council	RTI	Presentation	already contracted	x					
	Assistance to the selected investment project	RTI + som. Else		To be determined (TBD)		x x x x	x x x x	x x x x	x x x x	x x x x
	Training for town officials on how to use GFAM	RTI	Training	TBD		xx				
	Verification of original assumptions after taking into account results of work of another contractors	RTI	Financial Analysis Updated Report	TBD						xxxxx
Communal Housing Strategy	Assessment of Zi"bice existing housing situation	PADCO	Report	27 man-days	xxxxxxx					
	Preparation of a housing policy	PADCO	Memo with recommendations on housing goals, policy and strategy	38 man-days		xxxxxxx	xxxxx			
	Development of a city policy for revitalization of the Old Town	PADCO	draft policy	30 man-days		xxxxx	xxxxx			



Subject	Goal	Responsible Contractor	Deliverable	Estimated LoE	April	May	June	July	August	September
Communal Housing Strategy (continued)	Preparation of the housing policy/strategy document	PADCO	draft housing policy/strategy document	15 man-days		xxx	xxxxxxx	xxxxxxx		
Environmental master plan	Preparation a set of guidelines for the development of an environmental master plan	LEM (Marek Jasinkiewicz)	Set of guidelines and outline for the City and Commune of Zi''bice for preparing an environmental master plan	20 man-days		xxxxxxx	xxxxxxx			
	Workshop on environmental masterplanning and solid waste management and education to gmina officials	LEM + Chris Kaczmarek (RTI)	Report	7 man-days			x			
	Workshop for the Gmina Council on topics including: environmental master planning, solid waste management and environmental public information and education	LEM + Bruce Purdy (UI)	Report	7 man-days				x		

***Basic Contacts and Addresses Related to Zi"bice***

Ryszard Nowak, Mayor of Town and  
Gmina, ul. Przemysłowa 10, 57-720  
Zi"bice,  
tel/fax (074) 191 212

Marek Jasinkiewicz, LEM s.c., ul. Grodzka  
1, 31-006 Kraków,  
tel. (012) 23 08 55, fax: (012) 21 81 99

Wojciech Hołownia , Cooperative Housing  
Foundation,  
tel. (022) 22 26 56, fax: (022) 23 13 03

Grzegorz Pawrynowicz, Agencja  
Wspierania Inicjatyw Mieszkaniowych, ul.  
Przemysłowa 10, 57-720 Zi"bice  
tel. (074) 191 951 w.23

Chris Kaczmarek, RTI, c/o Municipal  
Development Agency,  
tel. (022) 628 28 90 ext. 28, fax: (022) 622  
54 95

Jan Czarniecki, PADCO,  
tel. (022) 620 83 00, fax (022) 624 31 59